



GW Joynson & Company Limited Brokers since 1890 Futures brokers for the 1980's

Handwritten note: لا تقبل الهدايا

Radioactive gas leak at Welsh plant

A nuclear power station in North Wales went on alert yesterday after 15 tonnes of 'mildly radioactive' was released by a safety valve.

The carbon dioxide was released at Trawstynyd, Snowdonia, and isolated after 15 minutes. The plant is one of Britain's oldest.

The incident follows two recent leaks at the Sellafield nuclear plant in Cumbria.

Friends of the Earth ecology group said the leak gave further proof of mismanagement in the nuclear industry.

The incident follows two recent leaks at the Sellafield nuclear plant in Cumbria.

Friends of the Earth ecology group said the leak gave further proof of mismanagement in the nuclear industry.

The incident follows two recent leaks at the Sellafield nuclear plant in Cumbria.

Friends of the Earth ecology group said the leak gave further proof of mismanagement in the nuclear industry.

The incident follows two recent leaks at the Sellafield nuclear plant in Cumbria.

Friends of the Earth ecology group said the leak gave further proof of mismanagement in the nuclear industry.

The incident follows two recent leaks at the Sellafield nuclear plant in Cumbria.

Friends of the Earth ecology group said the leak gave further proof of mismanagement in the nuclear industry.

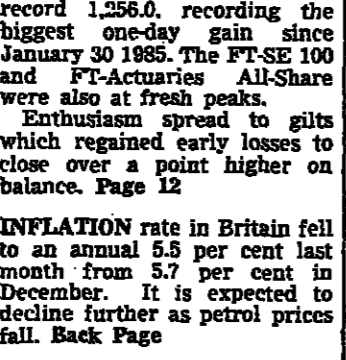
The incident follows two recent leaks at the Sellafield nuclear plant in Cumbria.

Friends of the Earth ecology group said the leak gave further proof of mismanagement in the nuclear industry.

The incident follows two recent leaks at the Sellafield nuclear plant in Cumbria.

FT Index surges 22.8 to record

LEADING London stocks resumed their record-breaking surge after a mid-week consolidation. Aggressive overnight US buying provided a good opening and the FT Ordinary Share Index moved steadily higher to close 22.8 up at a record 1,256.0.



Enthusiasm spread to gilts which regained early losses to close over a point higher on balance. Page 12

RUMBLELAW, electrical retail chain owned by Thorn EMI, is to leave the television rental business with the loss of 650 jobs. Back Page; Thorn EMI pensions move, Page 3; Television rentals analysis, Page 3

BRITISH TELECOM is set to proceed with acquisition of a 51 per cent holding in Mitel of Canada after giving undertakings on UK market share to the British Government. Page 3; Union election, Page 3

STOCKHOLM Stock Exchange trading in Fermenta, the troubled Swedish biotechnology group, was suspended indefinitely. Page 9

SOUTH AFRICA's annual inflation rate, as measured by the consumer price index, rose in January to a record 20.7 per cent. Page 2

PETROL tax might be raised by 15p a gallon in the Budget, forecast Dr Paul Neill, senior director of stockbroker Phillips & Drew. Page 3

STOCK EXCHANGE after an inquiry into share deals in Good Relations occurred. Maureen Smith, the ex-deputy chairman of the public relations agency, insurance broker Christopher Moran and London broker Simon & Coates. Page 3

PARIAS, French state-owned financial and industrial concern, plans to raise a record FF 2bn (£195m) in capital on the Paris bourse. Page 9

CIR of Italy, holding company of Carlo de Benedetti, is paying FF 500m (£49m) to become the largest shareholder in Valeo, French motor components group. Page 9

RIO TINTO-ZINC sold its 19 per cent stake in Gevor Tin Mines, Cornwall. The buyer is understood to be Pioneer International Trust, represented by Swiss-based businessman Edward Nassar. Page 8

Banknotes in triplicate add to Filipinos' confusion

FILIPINOS, bemused by the results of a dubious presidential election, are beginning to suffer from triple vision, writes Chris Sherwell in Manila.

The episode has serious implications for the battered Philippines economy, which is already contracting under the weight of \$25bn in foreign debt and a deepening political crisis.

Philippines' confusion and potentially indeterminate a month. Bankers who say the IMF target cannot be met even by June are now wondering whether it can possibly have any meaning.

Mexico set to unveil economic package

MEXICO'S President, Miguel de la Madrid, was last night preparing to announce an emergency package of economic measures forced on his government by the continued collapse of international oil prices.

Mr de la Madrid's announcement will be broadcast live, and he is expected to be accompanied by his full Cabinet, all 31 state governors and senior representatives of the ruling Institutional Revolutionary Party.

BL bus buy-out to be considered

THE BL BOARD yesterday authorised Mr Ian McKinnon, managing director of its Leyland Bus subsidiary, to investigate the possibility of a management-led consortium buy-out of his company and its associated parts operations.

Mr de la Madrid has decided to set before next week's meeting of the 11-nation Cartagena group of Latin American debtors called for an emergency session in Punta del Este, Uruguay.

Mr McKinnon, 39, took over as managing director of Leyland Bus in January 1985. He has worked for BL since he joined Austin Morris in 1973.

Morgan Grenfell asked to explain share deals

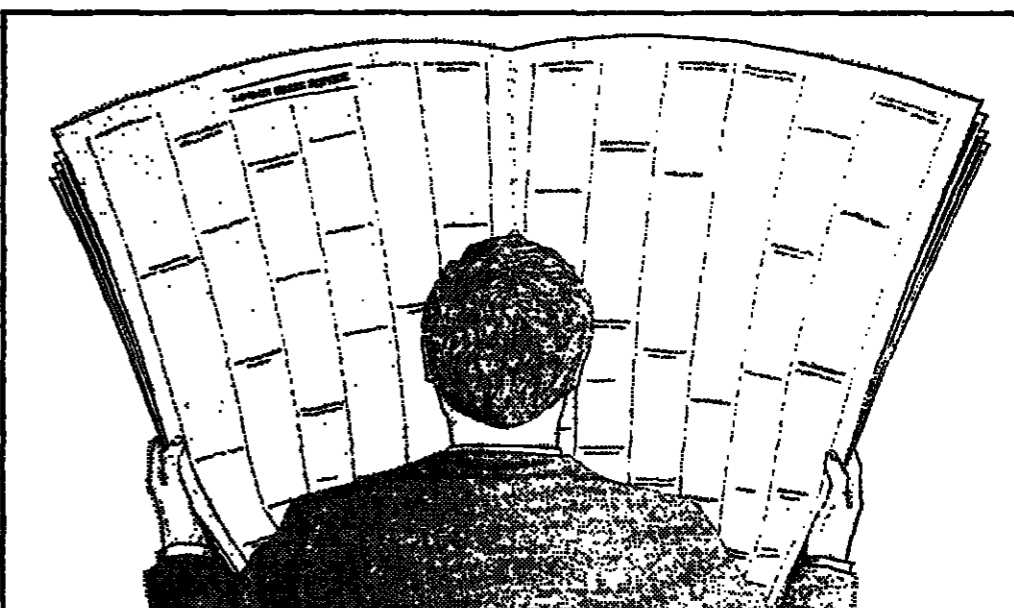
THE Stock Exchange intervened last night in Britain's two biggest takeover bids to ask Morgan Grenfell, the merchant bank, to clarify the relationship between itself and two clients—Guinness and United Biscuits—in the buying of target companies' shares.

Morgan's share purchases were at about the 25 per cent mark. In response to the Stock Exchange's request, Morgan last night confirmed it had indemnity agreements with Distillers and Argyll as was customary practice.

Grosvenor loses fight for leaseholds

THE Duke of Westminster yesterday lost his five-year battle to prevent long leasehold tenants buying the freehold of their homes.

more to realise an overnight profit of as much as £250,000. Mr Jimmy James, executive trustee of the estate, said last night: "All landowners, large and small, will be deeply disappointed by the court's decision."



ANYONE CAN FOLLOW SUCCESSFUL STOCKS. THE SECRET OF OUR PERFORMANCE IS PICKING THEM FIRST. The performance of Fidelity Special Situations Trust is no secret.

Table with 2 columns: Market/Category and Price/Value. Includes sections for Stock markets, Future of Land Rover, and Contents.

MARKETS section containing DOLLAR, STERLING, LONDON MONEY, NORTH SEA OIL, and STOCK INDICES.

CONTINENTAL SELLING PRICES: Austria Sch 20, Belgium Bfr 45, Denmark Dkr 8, France Fr 600, Germany DM 2.20, Ireland Gp, Italy Lt 1,500, Spain Ptas 166.67, Portugal Esc 200, Sweden Skr 1.38, Switzerland Sfr 2.20.

WEEKEND FT



THE LORDS Behind the political debate House of Lords is again playing a major role PAGE I



SELLING THE FUTURE NOW Did you know that you can sell a future asset to get much-needed cash now? PAGE VII



ANTIQUES Buying antiques is fraught with problems, but there are ways to smooth the path. PAGE XV



FESTIVAL Italian director Federico Fellini has held high the banner of great cinema. PAGE XVII

UK NEWS

Racing counts the cost of 16 lost days

By Alan Forrest
HORSE racing is counting the cost of its 16th consecutive lost day, the worst interference by the weather since 1963...

Good Relations share deal censured by SE inquiry

BY LIONEL BARBER
THE STOCK EXCHANGE inquiry into share dealing in Good Relations, the public relations and advertising agency, has resulted in censure of Miss Maureen Smith...

ated from Miss Smith. She subsequently resigned and Good Relations' share price collapsed. The Stock Exchange Council said it had sought legal advice as to whether there was a case of insider dealing against either Miss Smith or Mr Moran...

Nuclear plant put on alert after leak

By Maurice Samuelson
A NUCLEAR power station in north Wales was put on alert yesterday after 15 tonnes of "mildly radioactive" gas were released by a safety valve.

Television rental companies tune to a changing world

MERGERS, closures, and job losses have substantially changed the face of the once conservative high street television and video recorder rental business. Yesterday Rumbelows, part of Thorn EMI, announced it was getting out of the rental business and as a result increasing its retailing floor space by 15 per cent...

Jason Crisp looks at a £1bn industry which is sharpening its image in the face of decline

for cash, has been grateful for the revenues pouring into its rental business. A recent report on the television rental industry by the stockbroker firm Fielding, Newson-Smith noted that despite the problems "turnover is likely to remain at least £1bn at 1985 prices in 10 years' time."

Lawson 'may raise petrol tax'

BY ERIC SHORT
MR NIGEL LAWSON, Chancellor of the Exchequer, could well raise the tax on petrol by 15p a gallon in the forthcoming Budget, said Dr Paul Neill, senior director of Phillips & Drew, the stockbroker firm.

responsibilities toward investment and their powers over appointment of investment managers. The association, he said, had trustees inquiring whether they could sack their managers, some being under the impression they could not.

Irish launch for Mirror colour edition

BY RAYMOND SNODDY
Mr Robert Maxwell, publisher of the Mirror Group Newspapers, said yesterday he planned to produce the entire Irish print run of the Daily Mirror in colour from Monday.

Ex-director convicted of fraud plot

BY CLIVE WOLMAN
ONE OF the three Old Bailey defendants convicted of conspiracy to defraud James Capel, the stockbroker, of £1.5m this week was Mr David Osterley, then a director and manager of the Palan Entertainment Corporation.

Decision soon on benefits payments

THE GOVERNMENT is close to reaching a decision on the suggestion by the House of Commons Public Accounts Committee that "indecisions" should be offered to retirement pensioners and other social security beneficiaries for payments to be made into their bank accounts instead of through the Post Office.

Farmers to take EEC to court

FARMERS in the UK plan to take the European Commission to court over its sheepmeat policy which they say is costing British producers million of pounds a year.



said "Anti-pest betting for Cheltenham has just about stopped in its tracks. It seems intelligent punters are faced with so many imponderables dictated by the weather, are hanging on to their money."

However, the bookmakers are not too worried. Hills, which pioneered bad weather betting, making books on odds against a white Christmas and whether it would rain on Princess Di's wedding day, opened a book at 9.30 am yesterday offering 20-1 against one of more days of Cheltenham's three-day March meeting being called off.

Within hours Hills had taken £15,000 and dropped the odds to 4-1.

Irish racing has been the punter's only consolation during the last 16 days. However, UK bookmakers say this has not been particularly profitable. Unknown horses do not bring in the big money.

There was still a note of optimism at Cheltenham. The course stands to lose money if anything restricts the expected crowd of 100,000.

Mr Edward Gillespie, a course official, said: "We're quite perky. We'd rather have a cold freezing February than a cold freezing March."

For dedicated racing people, the news yesterday was that today's meeting at Punchestown in Ireland is expected to be on and the BBC will televise three races live.

Next Saturday at 5.1 is favourite with Hills for the resumption of UK racing.

IBA to consider Rank's Granada bid
THE Independent Broadcasting Authority has called a special meeting of its members for Tuesday to consider the position arising from the Rank bid for the Granada group.

Meanwhile on Thursday Rank purchased a further 845,800 Granada shares at 282p. Rank now owns 4 per cent of Granada's issued share capital.

Joe's defiant folly closes after a century of success



Godfrey Messervy

Arthur Smith on the reason for Lucas Electrical's wind-down

"JOE'S FOLLY," it was dubbed by sceptics in 1889, when Mr Joseph Lucas, a Birmingham metal worker, decided to make Great King Street the base for his company making bicycles and bicycle accessories such as bells and lamps. His King of the Road lamp, slung on the hub of the penny farthing, enabled him to take advantage of the late 19th century bicycle boom.

How to become a stag in bed.

Advertisement for Investors Chronicle magazine. Text includes: "Next time there's a big new share issue, you could be among the 'winners': one of the 'stags' - the people who buy and sell fast, and make a profit!" and "How to build up your savings faster. How to get a bigger income. Pay less tax. How to pick the best Unit Trust. How to borrow money on your life insurance."

Advertisement for The Army Benevolent Fund. Text includes: "'Old Soldiers Never Die...' but as they 'fade away' they so often need our help" and "TO: THE ARMY BENEVOLENT FUND DEPT 41 QUEEN'S GATE, LONDON SW7 5HR".

Labour MP set to lead communications union

BY DAVID THOMAS, LABOUR STAFF

MR JOHN GOLDING, Labour MP for Newcastle-under-Lyme, appears to have won the election for general secretary of the National Communications Union, the largest union in the industry.



John Golding, skilled organiser

Writing among the union's 60,000 members was completed yesterday with the result due next week. However, negotiations from different parts of the union suggest Mr Golding is the clear winner.

The 54-year-old MP built a reputation as the key organiser of the right while on Labour's national executive between 1978 and 1983.

He is likely to bring these organisational skills to the role of the right in the NCU if he takes the union's automatic place on the TUC general council after the congress in September.

Mr Golding has said he would not stand at the next general election if he were confirmed in the NCU post. However, it is not clear whether he will stand down from his seat when he takes over the NCU job, which is likely to be in the summer.

The MP said he would leave it to his local constituency party but the left in the union may try to force a by-election by pointing to the union's role-back which states: "The general secretary shall not take

on any parliamentary duties." In 1983, Mr Golding had a majority over the Conservatives of 2,804.

If his victory is confirmed, Mr Golding said yesterday his priorities for NCU members would be "high pay and individual job security."

Mr Golding's chief opponents during the union election were Mr Phil Holt, who represented the left, and Mr David Norman,

who placed himself politically between the other two main candidates.

The NCU's executive is controlled by the left. However, Mr Golding described the executive yesterday as "very divided" with a fragmentation of the left into hard and soft factions.

He said he always worked against the hard left and would be prepared to back a coalition between the soft left and the moderates, if that was necessary to defeat the hard left.

This is the first time the election of an NCU general secretary has been by a secret ballot of all the union's members.

Voting during the election appeared split on left-right grounds, although Mr Golding seems to have won substantial numbers of votes in branches and workplaces regarded as strongholds of the left.

For the left however, Mr Holt, who is known as a supporter of Militant Tendency, does not appear to have picked up so many votes in right-wing areas of the union.

Supporters of Mr Holt and Mr Norman believe Mr Golding did well because he was publicly supported by Mr Bryan Stanley, the union's outgoing general secretary, and because he devoted considerable resources to the campaign.

Consultants withdraw from council jobs review

By David Brindle, Labour Staff

A REVIEW of the grading structure of more than 1m local authority manual workers has run into trouble with the withdrawal of the consultants commissioned to carry out the review in preparation of job descriptions.

The withdrawal almost certainly means that the review, expected to produce substantial savings for the employers as part of the manual workers' 8 per cent pay deal last autumn, will not be completed in time for the next wage talks in September.

Doubly embarrassing for all concerned is that the consultants, whose work was judged unsatisfactory by the employers and the unions involved, were the Local Authorities Management Services and Computer Committee (Lamsac).

The job evaluation exercise is one of the most complex and wide-ranging undertaken in Britain. More than 100 separate job titles are covered by the manual workers' national agreement. The exercise took two years to complete when it was last carried out in the 1960s.

To simplify the procedure this time it was decided to limit analysis to about 40 jobs involving 80 per cent of the workforce. Lamsac was commissioned to interview typical employees and draw up job descriptions.

Lamsac pulled out this week, although this work was well under way. The consultancy, which was being paid about £170,000, was not available yesterday for comment. The employers' secretariat would only say that Lamsac had lacked sufficient resources to complete the contract in the time available.

However, it is believed that the 10 joint employer-union panels set up to consider the job descriptions found Lamsac's first results below required standards - especially in view of the stress laid on the principle of equal pay for work of equal value.

In a circular to local authorities, the employers say Lamsac's withdrawal has serious implications, not least the effect it will have on the timetable for the exercise.

Partly because of the unions' dislike for commercial consultants, the two sides are likely to try to recruit a team of experts from universities to take over from Lamsac. Such a move could allow completion of the grading review in time for delayed pay talks next winter.

If it is not completed the exercise may have to start afresh for next year with the negotiation of an interim pay deal this year.

Redundancy notices for 412 BSC strikers

By Our Labour Staff

THE DISPUTE which has halted British Steel Corporation's Scottish tube plants deepened yesterday when BSC sent redundancy notices to 412 of the 2,200 strikers.

It was the earlier threat of the redundancies, part of the BSC survival plan for the plants, which sparked the strike a week ago at the Clydesdale works, Bellshill, Lanarkshire, and the linked Calder and Imperial works at Coatbridge and Airdrie.

Though the strike remains unofficial the Iron and Steel Trades Confederation, the main union involved plans a strike ballot on Monday and Tuesday before giving official backing.

Mr Pat Donnelly, ISTC convenor, said issuing redundancy notices was a "foolish" move by BSC. "It will make doubly certain that the men vote to continue the strike. This move has exacerbated an already tense situation."

Mr Graham said in his union's journal that the EETPU had behaved "incredibly badly" over Wapping. He added that the majority of the TUC general council did not believe the EETPU when it argued that it had no understanding with News International that if the union supplied the labour for Wapping, the company would agree a single-union deal with it.

TREND OF INDUSTRIAL PROFITS ANALYSIS OF 88 COMPANIES

CONSUMER-RELATED companies with year-ends in the second quarter of last year showed faster growth than those in the capital goods sector, continuing a trend found in all but one of the previous five quarters.

The analysis below shows that the profits of the 23 companies reporting in the consumer goods sector increased 34 per cent overall while those of the 34 companies in the capital goods sector fell by 8 per cent.

However, the figures are partly distorted by the relatively small number of companies reporting during the period.

For example, the whole of the downturn in the capital goods sector is attributable to the severe profits decrease at Barratt Developments, whose figures are included among those in the contracting and construction subsector.

The table summarises the results of 87 listed companies reporting between April 1 and June 30 last year and sets them out according to the categories used in the daily FT-Actuaries Share Indices table. Figures are in £m with the previous year's figures in brackets.

In the capital goods sector, the main factor mitigating

Barratt's downturn was the healthy performance from the four electronics companies reporting in the period. Industrial materials companies were also well up and Armstrong Equipment's results accounted for the 80 per cent profit increase in the motors subsector.

The strong performance of the consumer group was heavily influenced by the profits surge at Glaxo, whose figures are included in the health and household products subsector. Other positive factors were the buoyancy of the food retailing and stores subsectors. Amstrad Consumer Electronics' figures

took the leisure subsector up 122 per cent. However, the textiles subsector declined because of the severe downturn at S. R. Geat.

The total profits of the 88 companies in the industrial group rose 26 per cent compared with a 5.8 per cent increase for the 17 companies in the financial group.

No banks, oil or insurance companies reported during the period, but property companies and investment trusts showed useful gains and the one overseas trader, Paterson Zochonis, recorded a profits increase of 35 per cent.

Table with columns: INDUSTRY, No. Cos., Turnover, Profits before tax, Pre-tax profits, Tax, Earnings, Ord. dividends, Cash Flow, Net Capital, Net Return, Net Current assets. Rows include Building Materials, Contracting, Electricals, Electronics, Mechanical Engineering, Metals and Metal Forming, Motors, Other Industrial Materials, Total Capital Goods, Brewers and Distillers, Food Manufacturing, Food Retailing, Health and Household Products, Leisure, Publishing and Printing, Packaging and Paper, Stores, Textiles, Tobacco, Total Consumer Group, Chemicals, Office Equipment, Shipping and Transport, Telephone Networks, Miscellaneous, Total Industrial Group, Banks, Insurance, Merchant Banks, Property, Other Financial, Total Financial Group, Investment Trusts, Mining Finance, Overseas Traders.

NOTES ON COMPILATION OF THE TABLE
The classification is that of the Institute and Faculty of Actuaries used in the daily Financial Times-Actuaries Indices.
Col. 1 gives turnover, exclusive of VAT unless otherwise indicated.
Col. 2 gives profits before interest and taxation, that is to say profits after all charges except loan and other interest but before deducting taxation provisions and minority interests.
Col. 3 gives the net profits accruing on equity capital after meeting 1-Minority interests.
Col. 4 groups all corporation tax including Dominion, Colonial and Foreign liability and future tax provisions but excluding adjustments relating to previous years.
Col. 5 gives the net profits accruing on equity capital after meeting 1-Minority interests.
Col. 6 represents the total net profit before deducting intangibles such as goodwill-plus current assets less current liabilities, except bank overdrafts.
Col. 7 represents the net return on capital employed. Col. 8 as a percentage of Col. 6 provides an indication of average profitability.
Col. 9 represents the net return on capital employed, excluding intangibles and current assets, after the subtraction of current liabilities and provision from current assets.
Col. 10 net current assets are arrived at by the subtraction of current liabilities and provision from current assets.
Other Consumer Group has been absorbed into other groups.

Pit unions to meet over closure

By Our Labour Staff

LEADERS of the National Union of Mineworkers and Nacods, the pit deputies' union, are to meet on Monday to consider the National Coal Board's decision to override the voluntary review procedure by closing Bates Colliery, in Northumberland.

Mr Arthur Scargill, NUM president, yesterday accused the NCB of "sabotaging the agreed review procedure by closing Bates Colliery, in Northumberland."

Mr Scargill said the NUM was not going to accept the NCB's decision to override the voluntary review procedure by closing Bates Colliery, in Northumberland.

Speaking in Sheffield after a conference called by the Yorkshire, Lancashire, Cheshire, and Northern Counties Area Mineworkers' and Nacods, Mr Scargill said the NUM was not going to accept the NCB's decision to override the voluntary review procedure by closing Bates Colliery, in Northumberland.

He went on: "If the Government is to have any credibility, and if the Prime Minister is to stand by her words in Parliament, that the agreement is sacrosanct, then she has to say the decision to close Bates must be reversed. Otherwise, not only is the independent review body no longer of any standing, but it could be important, the Prime Minister herself will be visibly seen to have misled Parliament, the British people and Britain's miners. If that's the case she should resign."

Bates employs about 880 miners, some 280 of whom have sought voluntary redundancy. Production is due to end next week after the NCB's decision, announced two days ago, to override a broad energy policy, some pits would become economic in a sense which they are not now.

Printers seek TUC action on electricians

BY PHILIP BASSETT, LABOUR CORRESPONDENT

PRINT UNION leaders are pressing the TUC to resist the electricians' union EETPU over its part in the News International dispute at Wapping, east London, if the EETPU is not complied with the TUC's directives on the issue.

Mr Tony Dubbins, NGA general secretary, said yesterday that he had written to Mr Norman Willis, TUC general secretary, questioning what the EETPU had done to carry out the TUC's directives-in particular, the requirement that the union should inform its members at Wapping that they were taking over traditional print jobs, and that it should try, with the TUC, to set up talks with the company.

Mr Dubbins' action is in line with measures taken by Ms Brenda Dean, general secretary of the largest print union, Sogat '82.

Mr Dubbins said yesterday the print unions would be raising the issue at the meeting next week of the TUC general council.

He was careful not to suggest that the EETPU had not complied in practice with the TUC's directives, but said evidence of its compliance should have been seen by now.

Some NGA leaders believe that the EETPU has continued to recruit both employees and members for Wapping, since the TUC's directives were issued.

He said there was no evidence that the EETPU had made any effort to get talks going. He was also pessimistic about the possibility of talks at the Advisory, Conciliation and Arbitration Service proving successful.

Some NGA leaders believe that the EETPU has continued to recruit both employees and members for Wapping, since the TUC's directives were issued.

He said there was no evidence that the EETPU had made any effort to get talks going. He was also pessimistic about the possibility of talks at the Advisory, Conciliation and Arbitration Service proving successful.

Ford Halewood strikers go back without gains

BY DAVID THOMAS, LABOUR STAFF

THE UNOFFICIAL strike which disrupted production at Ford's Halewood plant on Merseyside for three weeks ended yesterday.

About 1,700 Grade B operators in the paint trim and final assembly areas had struck over a regrading claim. The workers voted to return to work on Monday without having achieved their objectives.

The strike cost Ford 10,500 cars valued at £68m.

Throughout, the Ford management refused to discuss the claim with the strikers.

Don Brothers, Buist PLC Interim Report, 6 months to 24th November 1985. Extracts from Chairman's statement 21st February 1986. The directors have declared an interim dividend on the ordinary shares of 1.2p per share and on preference shares of 1.75p per share which will be paid on 21st March 1986.

APPPOINTMENTS Duport makes top management changes. Duport has made the following management changes from March 1: Mr C. L. Cooke becomes chief executive engineering and miscellaneous, Mr R. A. Moulder is made chief executive domestic products and international. Mr R. N. Jones relinquishes his directorship of Duport and his executive responsibilities within the group.

APPPOINTMENTS appointments as part of its move into physical sugar trading. Mr Tony Bromovsky has joined as a director from Woodhouse Drake and Carey, and Mr Jeremy Hill will be joining shortly, having recently left ERM. C. G. HIBBERT, a member of the Allied-Lyons Group, has appointed Mr R. G. Needham as finance director. He is divisional management accountant at Showers, Vine Products and Whiteleys.

FINANCIAL TIMES BRACKEN HOUSE, CANNON STREET, LONDON EC4A 4BY

Saturday February 22 1986

Patriotism is not the issue

Parliament is not a good place in which to teach business decisions, but it is now going to be next to impossible to keep politics out of the future disposal of the various enterprises which make up British Leyland.

Small fry In the European context, the smallest stage on which it makes sense to measure BL is now small fry. Indeed, it is doubtful that in the long run there is room for all the six major groups - two French, two American-based, one Italian and one German - which dominate the volume car market.

Lower-volume producers such as Volvo, Mercedes and BMW, can prosper in specialist up-market areas, but not in head-on competition with the giants, and BL is in this league for size: but where the others have grown to this size through specialised success, BL has shrunk to it through weakness.

nationals are, at their best, highly effective and stable enterprises. Companies like Hoover and Philips are almost regarded as home-grown, others like IBM and indeed Ford are seen largely as model corporate citizens.

Commercial co-operation (which equally dilutes competition and "sovereignty") has a less impressive record, because it offers only limited advantages. Shared development does make sense for small-to-medium enterprises, but it cannot offer the marketing spread or depth of financial backing available from a major multinational.

Commercial co-operation (which equally dilutes competition and "sovereignty") has a less impressive record, because it offers only limited advantages. Shared development does make sense for small-to-medium enterprises, but it cannot offer the marketing spread or depth of financial backing available from a major multinational.

THEY'RE running the movie backwards!" exclaims Mr Barton Biggs, chairman of Morgan Stanley Asset Management in New York. The movie in question was the oil shock, when oil producing countries ratcheted up prices in the early 1970s, sending world stock markets plummeting and helping to trigger a cycle of inflation, high interest rates and recession.

RIISING STOCK MARKETS

High on oil but wondering where next

Alexander Nicoll reports on the outlook for investors

for a period of economic growth. In the UK, the rally has effectively been under way since the Conservatives came to power in 1979.

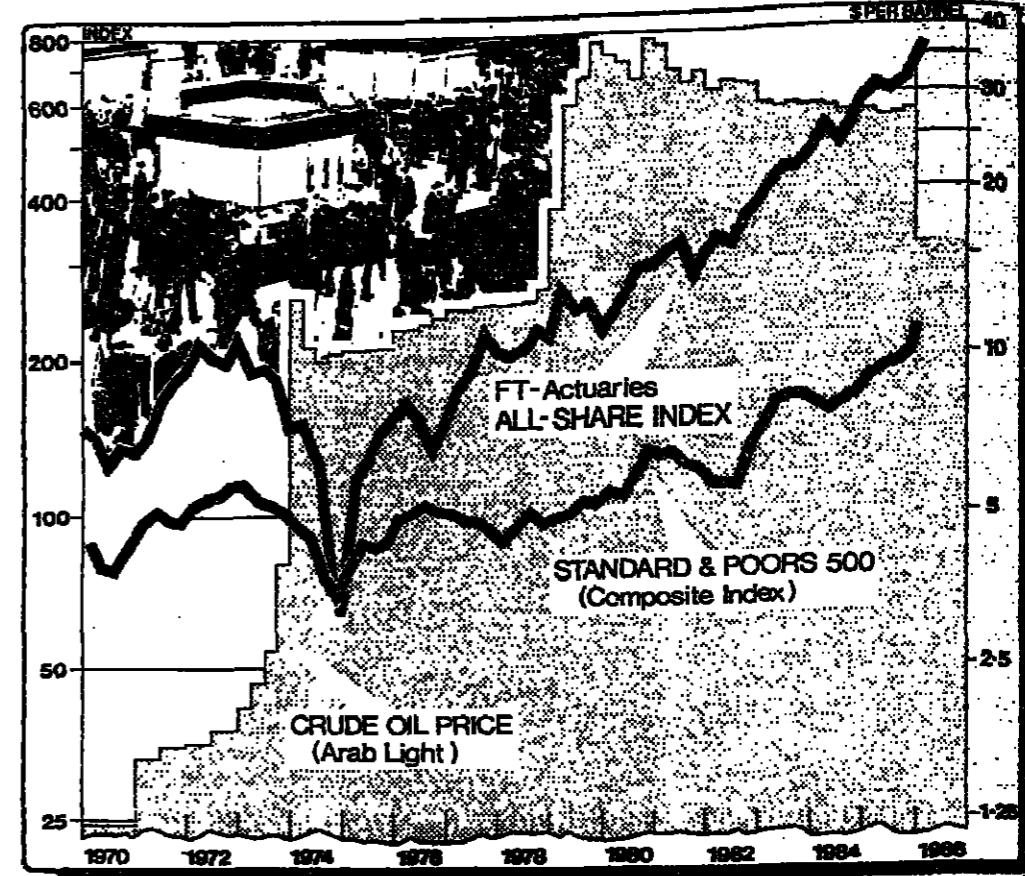
Doomsayers see uncomfortable parallels to the Wall Street crash of 1929

and 17 per cent in Milan. Only in a few continental countries, such as West Germany and Switzerland, which saw very sharp rises last year and were deemed due for a correction, have the markets faltered.

been forced by the series of bids not to reject such rumours out of hand. They are anxious not to damage their portfolio performance by missing out on a bid bonanza.

The dramatic rise in oil prices was only one aspect of a generalised surge in raw materials prices. In an era of inflation, tangible assets such as commodities, precious metals, land and collectibles such as works of art or even vintage wines, are perceived as holding their value better than financial instruments such as bonds and shares.

Although share prices, as the chart shows, did tend to rise in the 1970s from lows touched after the initial oil shock, the increase has to be seen against the background of surging inflation which governments made ineffective attempts to control.



created by an extraordinary and unpredictable mis-match of fiscal and monetary policies. Mr Reagan, despite his avowed desire to balance the budget by 1984, actually applied a Keynesian boost to demand which lifted the industrialised world out of recession at the cost of heavy deficit financing.

As in the US, British share prices have been recovering their value under the influence of steady but slow economic growth and the Thatcher Government's anti-inflationary policies. Though Labour

governments are often seen as good for stock markets because of expansionary government spending, the inflation of the 1970s was to great a trauma for the markets.

In Britain the case for a continued bull market appears less strong

ments should flow out of equities into them. Furthermore, the most often used UK measure of price levels, the multiple of the share price to expected after-tax earnings per share, has risen to about 14 times - not a record high but a level which many brokers feel fully values the equity market.

ALL WAS quiet at Sellafield. Mr Con Allday the chairman of British Nuclear Fuels, was sitting at his desk reviewing the achievements of the past few years with modest satisfaction. The prospects seemed good for his retirement at the end of March.

Man in the News Scientist adrift on a sea of leaks

By Max Wilkinson



Certainly no one has killed anyone. No one outside the complex has been hurt. It is too early to claim that none of our employees has been hurt, but I believe that is what the tests will show when we get the results in a few weeks.

Mr Allday counters that the large number of incidents partly reflects the "intrinsic safety" of the plant. "Although radioactivity can be dangerous, it is one of the least threats because it is amazingly easy to detect, far more so than many toxic poisons in chemical plants."

occuring? Mr Allday accepts the criticism but then comes back strongly. It is impossible, he says, to prevent all mistakes in a plant employing 5,000 people.

Wall Street UP 13% I.G.'s Client UP 600% One of IG's clients recently made a £50 up bet on a 1325 Dow Jones Call Option on 1st October 1985 at 31 which expired at 218 on Friday 20th December 1985.

IG INDEX logo and contact information for I.G. Index Ltd, 9-11 Grosvenor Gardens, London SW1W 0BD.

Handwritten note: لا انا ولا احد

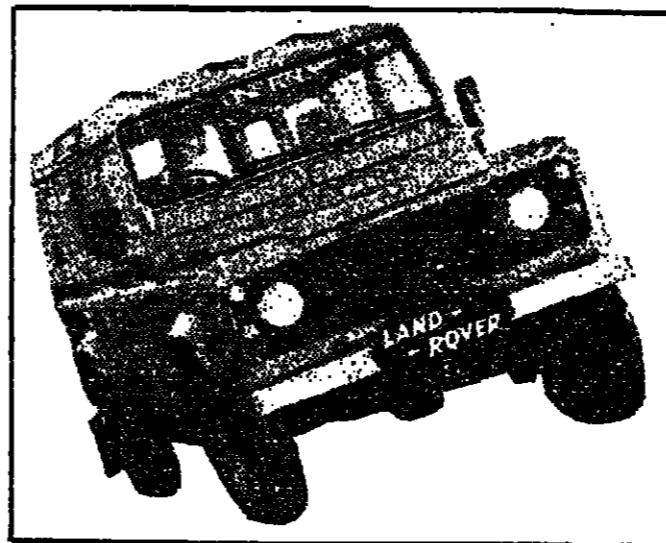
كندا والهند

DAVID ANDREWS is in a race against time. He has to raise over £200m in under two weeks. The amount involved will not worry him unduly. He is used to dealing in big numbers. For many years he has been running a business making losses of over £1m a week.

station interested in any part of the commercial vehicle division must say by March 4 it intends to make a firm proposal. Andrews is among those who believe the issue should be settled as quickly as possible. No one knows better than he the danger the delay is causing Leyland Trucks in particular.

The future of Land-Rover Mr Andrews tries to grab the wheel

By Kenneth Gooding



against projected cash flow, as some US-owned executives in Britain are willing to consider that idea. The rest of the money the consortium needs will have to come from investment institutions.

VENTURE capitalists sometimes say there are four projects a fund manager should always avoid: the potential cure for cancer, next year's "craze" Christmas present, the comeback of coal and national newspapers.

1985 net profit was £37m on sales of £5bn. Management has also been forced to fight for the static pool of readers through costly marketing battles.

Why everyone wants to be in newspapers

David Goodhart on the latest City fashion

of the Mail on Sunday or £25m of the Daily Star which were printed on the Mail and Express presses respectively. The annual running costs of Mr Shah's Today will be only about £45m, which on a comparable circulation basis is over one third less than that of similar mid-market titles like the Express and Mail.

person team from Saatchi and Saatchi has been closely involved in the project from the outset and helped Whittam Smith to produce a persuasive presentation to institutions. Mr Stephen Rose, who runs the seed capital group which organised the raising of the initial £2m tranche, says there was an initial problem stopping people putting the telephone down when he first mentioned the idea of a national paper.

Land Rover's future

From Mr M. Whiffin Sir, I was disappointed in your leader comment (February 19) on "why Land-Rover is not Jaguar". I think you have committed the sin of assuming that UK investors will view Land-Rover as it rather than that it could be given adequate capital support and that public issue would fail.

Letters to the Editor

lessly unrealistic to suggest that the entire workforce be invited to buy the business under management leadership? It may be argued that while an employee buy-out of Land-Rover may be at least theoretically possible, the same does not apply to the less-making Leyland Trucks.

Where life is a freeze

From Mr A. D. Baxter Sir, After reading Patrick Cockburn's article on travel and accommodation in Siberia (Weekend FT, February 15) I felt it my duty to inform everyone eagerly going to make reservations for trips to the Soviet Union it is not all like Yakutia.

Day school pupil checks a myth

From Mrs Shirley Williams Sir, Before another myth gets established, may I correct Rachel Billington in her review of my mother's diary, Chronicle of Friendship? "The two children," she writes, "are both sent off to boarding school at the earliest possible age."

ness. They saw the chance of building up dealer networks in developing countries which could not afford to import cars but would accept workhorses such as the Toyota Land Cruiser and Nissan Patrol.

The Independent, was particularly smug, as Shah—a total Shaah handicapped by his controversial image following the confrontation with the NGA at the end of 1983.

Offshore funds stand at bay

From Mr R. Corner Sir, Last Saturday Donald Elkin (Finance and the Family)

Income tax anomalies

From Mr E. Curney Sir, Samuel Brittan's article (February 10) was up to his usual standard in that he identified in a table not only the anomalies in the present income tax and social security systems.

Risks of unlimited fishing

From Mr J. S. Davison Sir, John Cherrington ("Poachers have votes, too," February 15), suggests that fishing in Britain should be nationalised and not belong to individual riparian owners.

ADVERTISMENT BUILDING SOCIETY RATES

Table with columns for Share, Sub, and Other rates for various building societies like Abbey National, Ald to Thrift, Alliance and Leicester, etc.

Large table titled 'ADVERTISMENT BUILDING SOCIETY RATES' listing various building societies and their interest rates for different types of accounts and loans.

UK COMPANY NEWS

BT proceeds with Mitel acquisition

BY JASON CRISP

British Telecom is now set to go ahead with its £320m (£159m) acquisition of 51 per cent stake in Mitel, the troubled Canadian manufacturer of private automatic branch exchanges (PABX).

The undertakings have been given as a result of a Monopolies and Mergers Commission report which found that the acquisition was not in the public interest. The commission recommended that the bid should be allowed to go ahead on condition that BT stopped selling Mitel products in the UK.

Exports bolster Distillers' profit forecast

BY DAVID GOODHART

Distillers yesterday released a number of key export statistics to underpin the profit forecast for the whole UK. At least £250m announced outside Guinness's new bid on Thursday.

The Distillers volume increase for de-luxe brands, such as Johnnie Walker Black Label, is 11 per cent with a particular rise in South America. Because of the general expansion in the export of de-luxe brands relative to down market ones the overall value of Scotch whisky exports for the whole UK has gone up by 6.7 per cent.

High-Point Services in £3m cash call

As well as higher taxable profits for the first half of the year, High-Point Services Group, the USI-quoted provider of professional advisory, management and financial services, announces a £3m rights issue.

Spurs profits go marching out

BY FRANK KANE

Tottenham Hotspur, the only football club to publish its accounts, yesterday reported a deficit of £528,000 for the six months ended November 30 1985, and dropped the interim dividend. Last time there was a profit of £581,000, including a £636,000 gain in transfer fees, and a 1.5p payout.

RTZ sells its 19% stake in Geovor Tin

By Kenneth Marston, Mining Editor

Rio Tinto-Zinc Corporation has sold its holding of 18.8 per cent in Geovor Tin to Rio Tinto-Zinc.

Pension contribution cut will boost Thorn EMI

BY CHARLES BATCHELOR

Thorn EMI, the hard-pressed electronics and leisure group, yesterday joined the growing list of companies to announce plans for a reduction in pension contributions which will boost its profits by £9m-£10m a year for the next three years.

employees are members of its pension fund, which has more than 16,000 pensioners on its books. Many companies have found their pension schemes in a strong financial position in the wake of buoyant stock markets, low rates of wage increases, falls in their workforce and lower inflation.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Table with columns for EQUITY GROUPS & SUB-SECTIONS, Fri Feb 21 1986, and Highs and Lows Index. Includes sub-sections like CAPITAL GROUPS, CONSTRUCTION, ELECTRICIANS, etc.

FIXED INTEREST

Table with columns for PRICE INDICES, Fri Feb 21, and AVERAGE GROSS REDEMPTION YIELDS. Includes sub-sections like British Government, Insurance, etc.

Borthwick severs NZ link

BY LIONEL BARBER

Thomas Borthwick, the international food, meat, and trading group, has sold its New Zealand operations for £26m, severing a connection which goes back more than 100 years.

Thomson T-Line's 5-for-3 rights to raise £2.5m

BY DAVID GOODHART

Thomson T-Line, the loss-making timber merchant 61.5 per cent owned by Mr Julian Askin and Mr Hugo Biermann, is planning to raise about £2.5m in a five-for-three rights issue.

Coats resists bid cost claim

By Anthony Moreton, Textiles Correspondent

Coats Patons will strongly resist any claim by Dawson International for underwriting fees following its decision to merge with fellow textiles concern, Vantona Yivella, rather than Dawson.

Cavenham goes into liquidation

By Alice Rawsthorn

Sir James Goldsmith's Generale Occidentale de France intends to put its subsidiary, Cavenham, into members' voluntary liquidation in order to simplify the group structure.

Polypipe's shares touch high as profits rise 39%

BY DAVID GOODHART

Polypipe's shares, one of last year's best performing newcomers to the USM, yesterday touched a high of 50p after the group announced a 39 per cent increase in interim profits.

Courtney Pope up 25% and set for record

BY DAVID GOODHART

Courtney Pope (Holdings), shortlisting and electrical group, pushed pre-tax profits up 25 per cent from £500,000 to £1m in the six months ended November 30 1985, and directors say looks set to produce a 9 year's financial excess of 4 times record £2.1m.

City Estates placing to raise £1.3m

CITY SITE ESTATES, the property investment group, is raising £1.3m after expenses by way of a placing of 1m shares at 135p each.

McKechnie's S & N deal

BY DAVID GOODHART

McKechnie Brothers the West Midlands non-ferrous metal and plastics group, facing a hostile £140m bid from Williams Holdings, yesterday announced it had extended its plastic interests with the agreed acquisition of Plastic Box, for £3.7m cash.

Dividends Announced

Table with columns: Company Name, Current payment, Date of payment, Total last year, Total this year.

Table with columns: Equity section or group, Base date, Save value, Equity section or group, Base date, Save value.

Handwritten signature: J. J. ...

كذلك هو الحال

INTERNATIONAL COMPANIES and FINANCE

Paribas to raise record FFr 2bn

COMPAGNIE Financiere de Paribas, the French state-owned financial and industrial group, yesterday announced a record FFr 2bn (\$322m) capital raising exercise on the Paris bourse.

Benedetti takes 19% stake in Valeo

By Alan Friedman in Milan and Paul Betts in Paris
CIR, the holding company of Mr Carlo de Benedetti which owns key stakes in Olivetti and other important companies...

Fermenta share trading suspended

BY KEVIN DONE, NORDIC CORRESPONDENT IN STOCKHOLM

TRADING in Fermenta shares on the Stockholm Stock Exchange was halted yesterday for the second time in a week following the turbulent dealing of recent days...

SIA profit surges at nine months

By Steven Butler in Singapore

SINGAPORE International Airline's after-tax profits almost doubled to S\$250m (US\$116m) in the nine months ending in December...

Daimler-Benz to boost output

BY JOHN DAVIES IN FRANKFURT

DAIMLER-BENZ, the West German motor concern, is planning a further 40% increase in car output this year to meet strong demand in domestic and foreign markets...

Hong Kong bank in HK\$241m rights issue

By David Dodwell in Hong Kong

THE DAO HENG BANK, a small Hong Kong bank controlled by the Kwek family's Hong Leong company based in Singapore and Malaysia, is to have its paid up capital boosted by HK\$150m (US\$19m) with a further HK\$90m for new investment...

Cominco passes dividend

BY ROBERT GIBBENS IN MONTREAL

COMINCO, the mining and metals arm of Canadian Pacific, has passed its common stock dividend for the first time to conserve cash in the face of continuing depressed commodity markets...

Singapore SE eases lifeboat fund rules

By Our Singapore Staff

MEMBER FIRMS of the Singapore Stock Exchange have signed an agreement easing the terms under which they might dip into a S\$180m (US\$83m) lifeboat fund designed to prevent default on forward share purchase contracts...

EUROPEAN OPTIONS EXCHANGE table with columns for Series, Vol., Last, May, Aug, Stock

Sheller-Globe board backs revised bid

By Our Financial Staff

THE BOARD of Sheller-Globe, an Ohio-based manufacturer of vehicle parts and office products, has approved a take-over proposal worth about \$450m...

Astra to increase payout

BY DAVID BROWN IN STOCKHOLM

ASTRA, Sweden's leading pharmaceutical group, reports that profits before extraordinary items, allocations and tax rose by 26 per cent to Skr 1.01bn (\$187m) for 1985...

Addis increases turnover

ADDIS increased its world group turnover last year, enabling it to hold its position as the world's leading sports equipment supplier, Reuter reports from Munich...

Royal Air Force Benevolent Fund repays the debt we owe



The Royal Air Force reached a peak strength of 1,200,000 in 1944 and more than 1 1/2 million men and women served during the war years.

Thousands did not come back. Many lie in the forgotten corners of earth and sea. Many thousands more were left disabled - mentally and physically.

All change at Charing X. Today's hospitals are about symptoms and illness. We want to change all that. Charing X Medical Research Centre is about causes and health.

A hundred pounds to make patients more comfortable is soon completely used up. The same hundred pounds directed at rooting out a disease may never be used up. If research to that end is successful then the suffering it prevents is limitless.

US QUARTERLIES

Table with columns for company names and financial figures for 1985-86 and 1984-85

London Options

Table of London traded options with columns for company names and prices

BASE LENDING RATES

Table of base lending rates for various banks and institutions

Granville & Co. Limited

Table of Granville & Co. Limited over-the-counter market data

River & Mercantile Trust PLC

CONTINUED ADVANCES FOR ASSETS AND INCOME

Table showing 1985 RESULTS and performance metrics for River & Mercantile Trust PLC

ONE YEAR PERFORMANCE

The Company continues to provide a substantial total return to Shareholders by maintaining its above average yield in relation to the Financial Times Investment Trusts Index...

INVESTMENT AND DIVIDEND POLICY

Chairman, Mr Antony Foucar, said that "we will continue to aim at producing a strong growth in both assets and earnings. Our strategy of gradually redeploying some of our funds from the UK into overseas markets, which we anticipate will enhance our capital performance, continues subject to the overriding requirement to preserve the purchasing power of dividends."

If you would like a copy of the River & Mercantile Annual Report, please telephone Miss Vivien Gould or write to: RIVER & MERCANTILE TRUST PLC, 7 Lincoln's Inn Fields, London WC2A 3BP. Tel: 01-405 7723/5.

European Assets Trust NV. The net asset value at 31st January 1986 was Dfl 6.73.

G. B. C. Capital Ltd. The net asset value at 31st January, 1986 was £32.79.

LADBROKE INDEX. 1,249-1,253 (+15). Based on FT Index. Tel: 01-427 4411.

The net asset value after contingent Capital Gains Tax was £32.41.

WORLD STOCK MARKETS

Up-surge sends Dow near 1700

Stock prices were lifted sharply on Wall Street yesterday following futures-related buy programmes, cheaper oil and lower interest rates.

By the Dow Jones Industrial Average moved up 17.55 to a new peak of 1690.37, making a rise of 25.92 on the holiday shortened week, while the NYSE All Common index, at a record 1529.15, rose 21.15 on the day and \$2.50 on the week. Advances led declines by a more than two-to-one majority, while the volume totalled more than 1.35m shares.

Share prices opened with only a moderate advance, but gains were extended as an early oil futures rally failed, noted Larry Wachtel, of Prudential Bache.

The drop in oil futures boosted interest rates, which triggered Stock Index Futures and Bonds, followed by stocks.

Among Blue Chips and Technology issues, International Business Machines moved ahead \$1 to \$160. General Motors \$11 to \$89.1.

Brooklyn jumped \$3 to \$367 after an opening delay for an order imbalance following a record volume.

By the Dow Jones Industrial Average moved up 17.55 to a new peak of 1690.37, making a rise of 25.92 on the holiday shortened week.

to \$51; it declared a five-for-four stock split and said it plans to boost the dividend.

THE AMERICAN SPK Market Value index rose 2.03 to 248.83, making a gain of 4.75 on the week.

Stocks advanced around midday, consolidating gains from the two previous days.

The Toronto Composite Index rose 17.0 to 2,512.2 and Oil and Gas 1.0 to 2,580.6. But the Gold Index lost 22.1 to 4,07.4.

Norcan Energy held unchanged at \$13 after Hees International, down 81 at \$261, said it agreed to acquire Hollinger's 41 per cent stake in Norcan.

Mitel added \$1 at \$71 after being halted for dissemination of news that British Telecom accepted British Government takeover of Mitel.

Share prices rose in active trading as buyers shifted focus from Domestic-Oriented shares to recently weak Export-Oriented Electronics.

The Nikkei Dow Average rose 28.90 to 19,349.31 after falling 11.24 Thursday. Turnover 410m (\$30m) shares.

Blue Chip Electronics, Precisions and Motors gained ground along with Biotechnology-related Pharmaceuticals.

Spaulite issues were mixed, while Domestic-Oriented shares such as Constructions eased.

The broader-based Tokyo SE index rose 4.49 to 1,070.13.

The All-Ordies index rose 4.7 to 1,057.0, the All Industrials 7.2 to a record 1,633.6, the All Resources 12.8 to 616.6.

Metals and Minerals 5.9 to 509.9, that Gold Index 9.0 to 913.2, and Oil and Gas 4.1 to 1,044.0.

Turnover 132.9m shares worth AS17.8m, with rises outnumbering falls 270-to-209.

ACI was active with nearly 6m shares changing, although it ended unchanged at AS335.

13.99 to 1,747.06, its first gain since Monday. Turnover was HK\$279.98m (HK\$223.76m).

One broker said the market began to reverse its recent slide after two major sellers, one a bank and the other an Inter-national fund stopped disposing of shares.

That triggered tentative bargain-hunting by local investors.

The Utility sector led the advances. Property shares also advanced.

Narrowly mixed after profit-taking pared earlier gains in active trading.

Prices firmed in the morning following the Government's acceptance in principle, recommendations of the Economic Committee and reports of a last ditch attempt to rescue Pan-Electric Industries, now under receivership.

The Straits Times Industrial index closed 0.45 down at 640.44 and the SE All Share index 0.18 to 2,233.97. Turnover 15.3m (\$1.6m) shares.

Market leader, Singapore Airlines, the most active issue on 1.5m shares, dipped 20 cents to S\$96.35.

The Stock Exchange has approved the expanded use of a \$S180m Lifeboat Fund put together by four major local banks to help brokers suffering from tight liquidity.

Firmer on strong gains in Industrials, with situation stocks dominating trading generally.

The All-Ordies index rose 4.7 to 1,057.0, the All Industrials 7.2 to a record 1,633.6, the All Resources 12.8 to 616.6.

Metals and Minerals 5.9 to 509.9, that Gold Index 9.0 to 913.2, and Oil and Gas 4.1 to 1,044.0.

Turnover 132.9m shares worth AS17.8m, with rises outnumbering falls 270-to-209.

ACI was active with nearly 6m shares changing, although it ended unchanged at AS335.

Most of the shares were bought by Potts West Trumbull, believed to be acting on behalf of Equiticor Tasman.

A56.78, after a high of A\$68.4 and a low of A\$68.6.

Mining stocks were firmer on balance, with CRA rising 5 cents to A\$5.96, MID 5 cents to A\$2.35 and Peke 2 cents to A\$2.16.

Comalco 6 cents to A\$2.06. Gold-related stocks also firmed, with Resonup up 22 cents to A\$5.53, Metana 15 cents to A\$2.70 and Emperor 10 cents to A\$3.15.

Among Industrials, Lead Lease jumped 20 cents to A\$6.90.

Quiet mixed, with Chemicals and Consumer-oriented values making some solid gains, but export-dominated stocks fell back in the face of the soft dollar tone.

But with turnover very thin, still feeding off lower oil prices, shares still appear to lack a share price trend. Many foreign investors have taken the wind from the sails by holding back.

The Consumer Bank Index of 60 leading shares set at mid-session 27.7, to 1,968.1 after 1,944.1.

Parshe dropped DM 59 to 1,200 on concern over its massive exports to the US.

Sharply higher in very active trading on the first day of the new monthly account, with the 50-share Bourse index posting a 3 per cent gain.

The firmer trend was accentuated by heavy foreign buying, and a lack of selling in French shares.

Volume of French share transactions was likely to be near Wednesday's record FF1.47bn, after FF1.47bn traded Thursday.

Papeteries Gascoigne led French shares, rising to FF 870. Chemins France rose to FF 810. Renault 500 to FF 440. Peleto to FF 1,100 and Pernod-Ricard to FF 970.

Generali Belgique led Foreign shares, advancing to FF 400.

Table with columns: Stock, Feb. 20, Feb. 19. Includes AGS Computers, AMCA, AMR Corp, ASA, AXZ Corp, Abbott Labs, Acme Glaswand, Adobe Res, Advanced Micro, Aetna Life, Amchem, Amgen, Amgen-Quiver, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Table with columns: Stock, Feb. 20, Feb. 19. Includes Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers.

Handwritten note: 'The following is a list of stock prices for various companies. The list includes company names, stock symbols, and prices for February 20 and February 19, 1986. The companies listed include Amgen, Amgen-Quiver, Alcoa, Alcoa Aluminum, Alco Standard, Alexander & AI, Allegheny Int'l, Alliant Energy, Alliant Energy, Allied Signal, Allied Signal, Allied Signal, Allis Chalmers, and many others.

CURRENCIES and MONEY COMMODITIES and AGRICULTURE

FOREIGN EXCHANGES Siren boosts the dollar

The dollar rose sharply in the Far East yesterday and then drifted down during quiet European and early New York trading. The main event of the day was an air raid against Seoul, the capital of South Korea. This led to panic buying of the dollar in Tokyo, on fear that South Korea was about to be invaded, but the expected air attack turned out to be one of the usual Chinese aircraft. As the height of the panic the dollar touched \$184.50, sharply higher than its earlier New York close of \$180.20.

Mr Yasuhiro Nakasone, the Japanese Prime Minister, was reported to have said the present rise is likely to be the bottom for the dollar, and this also helped push up the US currency, which closed at \$183.35 in Tokyo, and opened around \$183.50 in London.

After touching \$184.40 the dollar drifted down, without any new factors to influence trading. Today's speech by the Paul Volcker, chairman of the Federal Reserve Board, to the Senate Banking Committee, produced nothing new, after his warnings about the consequences of a weaker dollar to the House Banking Committee on Wednesday.

The market's lack of interest in US statistics, shown on Thursday, when there was no lasting reaction to a sharp downward revision in US fourth-quarter gross national product growth, was illustrated again yesterday.

US credit markets rose sharply on news of a fall in personal income and consumption, with the March Treasury bond contract touching a record high on the Chicago Board of

Trade futures market, but the foreign exchanges did not react. January personal income fell 0.1 per cent and personal consumption fell 0.4 per cent.

The dollar closed in London virtually unchanged against the D-mark at DM 2.3075, compared with DM 2.3070 on Thursday, and rose to ¥182.90 from ¥181.00 on 22 Feb from ¥181.00; and SFR 1.8945 from SFR 1.8910.

The Bank of England raised the dollar's index rose to 119.2 from 118.9.

Sterling remained on the sidelines, weakening against the dollar, and showing mixed changes against other major currencies. The pound touched a new low of \$1.4370-1.4380, but partly recovered to close at \$1.4465-1.4475, a fall of 1 cent from the previous close. Sterling also fell to DM 3.34 from DM 3.35 and to ¥10.25 from ¥10.25.

The pound rose to SFR 2.50 from SFR 2.4750, and to ¥264.75 from ¥262.75. The pound's exchange rate index, according to the Bank of England, closed 0.2 lower at 74.5.

REVIEW OF THE WEEK Sugar stocks decline forecast to continue

BY RICHARD MOONEY

A SUBSTANTIAL reduction in the excessive level of world sugar stocks is likely over the next two years, according to a market review published yesterday by London broker C. Czarnikow.

It projects 1985-86 production at 96m tonnes against 1986 consumption of 99.9m tonnes and forecasts that the resulting 3.9m tonnes drawdown from stocks will be followed by another "approaching 4m tonnes" next year.

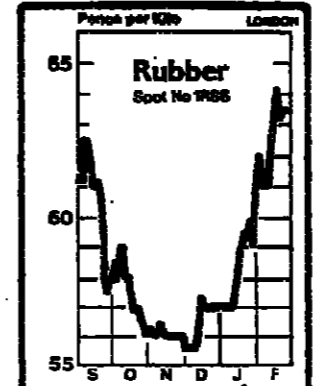
Furthermore, Czarnikow questions the basic stocks estimate which many traders have been working on. "Our own view," it says, "is that around August/September 1985 world stocks were some way below the 40m tonnes mark which has often been mentioned."

Czarnikow bases its 1985-87 projection on the assumption that world consumption will continue to grow at around 2 per cent a year and that this will be enough to absorb the production increases expected in most producing countries.

It warns, however, that its figures are only "a pointer to the outlook" and stresses that "it is necessary to make all possible reservations for such unknown factors as weather conditions."

The Czarnikow forecasts were quoted as a factor in an early rise of two or three dollars a tonne in London futures prices yesterday, but most of the gain was lost later on and nearby values finished around 94 up on the week.

Gloomy reports from the meeting in Geneva, where representatives of cocoa producing and consuming countries are



trying to renegotiate the International Cocoa Agreement, kept the London cocoa futures market under pressure. After a half-hearted rally on Monday the downward trend was re-established and the second position (Mar) dipped below £1,500 a tonne for the first time since November 1985 before ending the week £2.75 down at £1,500.75 a tonne.

With the supply/demand balance already in heavy surplus the possibility that the current, last-ditch attempt at negotiation might fail and that the Agreement's existing 100,000 tonnes buffer stock might have to be liquidated is weighing heavily on the market.

The long-awaited suspension of export quotas under the International Coffee Agreement (triggered by current high price levels following last year's Brazilian drought) came into effect on Wednesday. But this development was fully discounted and interest focused on a forecast issued on the same day by the newly-elected president of the Brazilian Coffee Institute that Brazil's coffee exports this year would fall 15 per cent short of the target of 17m bags (60 kilos each). This helped to fuel the renewed upward trend which left the Mar futures position £200 up on the week at £2,526.50 a tonne.

The recent strength of rubber prices on the Kuala Lumpur Commodities Exchange was maintained this week as traders responded to forecasts that this year's wintering period (when the trees yield of latex is reduced) will be much more

severe than last year's. The Kuala Lumpur price reached its highest level for over a year at one stage, but on the London physical market the price of RSS No 1 ended the week only 0.75p higher at 63.50p a kilo.

The European spot tin price took a dive on Wednesday after it was reported that two banks had sold the tin warrants held as collateral against loans to the International Tin Council. This raised doubts about the current effort to negotiate a rescue plan for the ITC—which ran out of cash to fund its price support operations last October—and the spot price fell by some £1,000 to £3,700-£3,800 a tonne. It rose above £5,000 again, however, after it became clear that other ITC creditor banks had no immediate plans to sell the warrants they are holding.

Continuing concern about the political situation in South Africa and production problems at Impala Platinum following the sacking of 93,000 black workers last month, kept the platinum market on the boil. The price ended the week \$36.35 higher at \$91.85 per troy ounce and the premium over gold widened from \$24 to \$53.30 an ounce.

On the London Metal Exchange base metals prices were generally lower on the week reflecting the strength of sterling against the dollar.

NEW YORK

Aluminum 40,000 lbs, cents/lb	High	Low	Prev
Mar	54.35	54.70	54.50
Apr	54.90	55.10	54.90
May	55.30	55.55	55.25
Jun	55.55	55.85	55.80
Jul	56.25	56.50	56.50
Aug	57.45	57.70	57.40
Sep	57.75	58.00	57.70
Oct	58.55	58.80	58.20
Nov	59.75	60.00	59.50
Dec	61.75	62.00	61.50

CHICAGO

Live Cattle 400 lbs, Cents/lb	High	Low	Prev
Mar	60.70	61.00	60.70
Apr	60.37	60.67	60.50
May	60.17	60.50	60.17
Jun	59.87	60.17	59.87
Jul	59.57	59.87	59.57
Aug	59.27	59.57	59.27
Sep	58.97	59.27	58.97
Oct	58.67	58.97	58.67
Nov	58.37	58.67	58.37
Dec	58.07	58.37	58.07

STERLING INDEX

Time	Feb 21	Previous
8.30 am	74.7	74.7
9.00 am	74.4	74.7
10.00 am	74.5	74.8
11.00 am	74.5	74.9
Noon	74.5	74.9
1.00 pm	74.5	74.9
2.00 pm	74.5	74.9
3.00 pm	74.4	74.8
4.00 pm	74.5	74.7

POUND SPOT—FORWARD AGAINST POUND

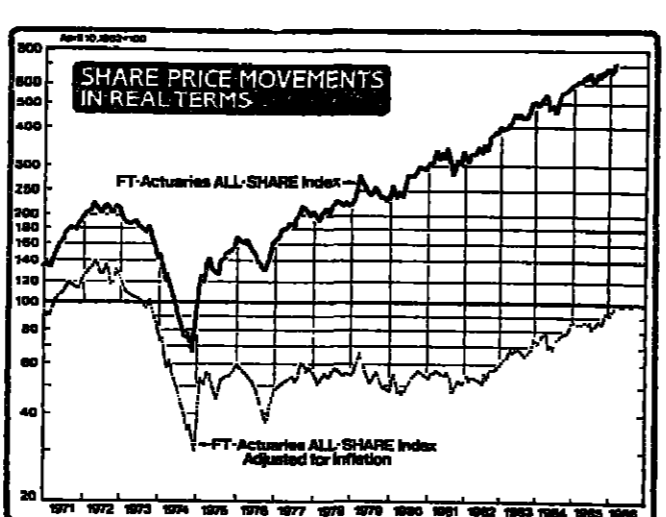
Country	Rate	Change	Three months	One year
UK	1.0000	—	—	—
USA	1.4370-1.4375	0.0005-0.0005	1.280-1.280	1.150-1.150
Canada	2.0910-2.0910	2.093-2.093	1.910-1.910	1.700-1.700
Netherlands	3.785-3.785	3.785-3.785	3.500-3.500	3.200-3.200
Belgium	66.250-66.250	66.250-66.250	62.000-62.000	58.000-58.000
France	117.250-117.250	117.250-117.250	110.000-110.000	105.000-105.000
Germany	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Italy	2092.500-2092.500	2092.500-2092.500	1950.000-1950.000	1800.000-1800.000
Spain	166.250-166.250	166.250-166.250	155.000-155.000	145.000-145.000
Sweden	132.250-132.250	132.250-132.250	125.000-125.000	115.000-115.000
Denmark	136.250-136.250	136.250-136.250	130.000-130.000	120.000-120.000
Japan	264.750-264.750	264.750-264.750	250.000-250.000	235.000-235.000
Australia	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
New Zealand	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
South Africa	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
India	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Indonesia	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Malaysia	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Thailand	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Singapore	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Hong Kong	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Philippines	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Maldives	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Bahrain	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Qatar	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
UAE	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Yemen	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Comoros	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Mozambique	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Zambia	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Botswana	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Swaziland	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Lesotho	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Nigeria	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Kenya	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Rwanda	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Burundi	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Tanzania	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Uganda	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
DRC	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Congo	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Angola	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Guinea	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Sierra Leone	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Liberia	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Ivory Coast	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Upper Volta	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Senegal	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Gambia	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Sierra Leone	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Liberia	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Ivory Coast	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Upper Volta	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Senegal	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000
Gambia	164.250-164.250	164.250-164.250	155.000-155.000	145.000-145.000

DOLLAR SPOT—FORWARD AGAINST DOLLAR

Country	Rate	Change	Three months	One year
UK	1.0000	—	—	—
USA	1.0000	—	—	—
Canada	0.7070-0.7070	0.7070-0.7070	0.650-0.650	0.600-0.600
Netherlands	0.6375-0.6375	0.6375-0.6375	0.600-0.600	0.570-0.570
Belgium	0.4725-0.4725	0.4725-0.4725	0.450-0.450	0.430-0.430
France	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Germany	0.6375-0.6375	0.6375-0.6375	0.600-0.600	0.570-0.570
Italy	0.1725-0.1725	0.1725-0.1725	0.165-0.165	0.160-0.160
Spain	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Sweden	0.1325-0.1325	0.1325-0.1325	0.125-0.125	0.120-0.120
Denmark	0.1365-0.1365	0.1365-0.1365	0.130-0.130	0.125-0.125
Japan	0.26475-0.26475	0.26475-0.26475	0.250-0.250	0.235-0.235
Australia	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
New Zealand	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
South Africa	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
India	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Indonesia	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Malaysia	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Thailand	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Singapore	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Hong Kong	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Philippines	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Maldives	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Bahrain	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Qatar	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
UAE	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Yemen	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Comoros	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Mozambique	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Zambia	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Botswana	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Swaziland	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Lesotho	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Nigeria	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Kenya	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Rwanda	0.1665-0.1665	0.1665-0.1665	0.160-0.160	0.155-0.155
Burundi				

LONDON STOCK EXCHANGE Domestic and US demand puts equities into overdrive

Account Dealing Dates... *First Declared Last Account Dealings... Index soars 22.8 to record 1256



Leading stocks emerged from the mid-week period of consolidation yesterday to resume the surge to peak levels in spectacular fashion. Turnover increased, although it failed to surpass Tuesday's record equity value of £1.2bn.

Aggressive US buying overnight of selected international issues following a lower sterling exchange rate initiated the surge. The good opening tone surprised both equity dealers and UK institutional investors.

Many fund managers hastily revised their buying programmes and sought to purchase a range of blue chips. The emphasis was on stocks likely to benefit from currency or overseas influences.

The Shell chief's warning of lower oil prices failed to deflate the mood of optimism and investors sought a little relief in slightly harder short-term interest rates. Activity showed no sign of abating after-hours when demand without penalty for their trading account began.

Standard Chartered, a rising market of late on talk of a possible merger with Midland, advanced a fresh bid to close 18 up on the session and 45 dearer on the week at 495p.

while Empire improved 12 to 166p. Harris Queensway responded to renewed speculative support and rose 4 more to 226p, but other leading Retailers displayed a narrowly mixed appearance.

Amstrad returned to prominence in Electrical rising 26 to a new peak of 358p on a consideration of the profits potential of the group's compact disc playing systems.

ICI surged higher on institutional buying ahead of next Thursday's annual results and closed a net 30 up at 400p.

Takeover fervour continued to stimulate often sizeable demand for selected securities. Stora Aquasutum were marked 10 higher to 300p with the more widely-traded A shares another 9 to the good at 88p amid talk of a pending bid.

Interest in Foods increased as the session progressed. Unigate were a particularly good market at 252p, up 11, while Fitch Lovell gained 22 to 255p as take-over rumours revived Northern Foods, 254p, and Associated British Foods, 268p, both firm 6, while S. & W. Berisford gained 7 to 156p ahead of Monday's annual results.

spur held the overnight level of 53p. Potential benefits accruing from the Saudi Arabian defence deal lifted Lucas 20 more to a new peak of 606p.

Overseas Traders finished the Account on a buoyant note. Leads still excited by persistent talk of a stake-building operation in progress, rose 2 for a rise of 31 on the week to 269p.

De Beers advance Mining markets, sustained by a firm note, ended the week with a gain of 4p to 512p, reflecting the better trend in precious metal prices and an easier trend in sterling against the dollar.

Don Brothers Buist featured an otherwise subdued session in Textiles, falling 24 to 130p in reaction to the interim profits setback. Casts Patons, however, rallied 5 to 245p, while Vantona Viva also closed higher at 432p.

Stockjobbers Smith Brothers featured Financials with a fresh speculative rise of 9 making a gain of 36 on the week at 205p; the advance has been accompanied by talk that Rothschilds had sold its 24 per cent stake in the company to a potential suitor, while the current heavy volume of stock market trading has also helped sentiment.

BP better Recently dull oil shares put on a much more encouraging performance. Further consideration of the fourth quarter results announced on Thursday helped BP edge up 5 to 540p, leaving the shares only 10 cheaper on the week. Shell rose 3 to 673p, but rallied well to close a couple of pence up on balance at 147p.

Elsewhere, Geovir Tin dipped to 58p before picking up to close unchanged on balance at 60p on news that RTZ had sold its near 19 per cent stake in Geovir to Pioneer International Investments, a Swiss-based company controlled by Mr E. Nassar.

FINANCIAL TIMES STOCK INDICES table with columns for Feb 21, Feb 20, Feb 19, Feb 18, Feb 17, Feb 16, Feb 15, Feb 14, Feb 13, Feb 12, Feb 11, Feb 10, Feb 9, Feb 8, Feb 7, Feb 6, Feb 5, Feb 4, Feb 3, Feb 2, Feb 1, Year ago.

TRADITIONAL OPTIONS table listing First, Last, and For Deal-Declar-Settle-Settle-Settle dates and other details.

LEADERS AND LAGGARDS table showing Percentage changes since December 31, 1985, based on Thursday, February 20, 1986.

RECENT ISSUES

EQUITIES

Table of recent equity issues with columns for Issue price, High, Low, and Stock details.

FIXED INTEREST STOCKS

Table of fixed interest stocks with columns for Issue price, High, Low, and Stock details.

RIGHTS OFFERS

Table of rights offers with columns for Issue price, High, Low, and Stock details.

NEW HIGHS AND LOWS FOR 1985/86

Table showing New Highs (176) and New Lows (9) for various stock categories.

RISES AND FALLS YESTERDAY

Table showing rises and falls in stock prices yesterday.

YESTERDAY'S ACTIVE STOCKS

Table listing yesterday's active stocks and their price changes.

THURSDAY'S ACTIVE STOCKS

Table listing Thursday's active stocks and their price changes.

STERLING ISSUES BY FOREIGN GOVERNMENTS AND INTERNATIONAL INSTITUTIONS

Table listing sterling issues by foreign governments and international institutions.

CORPORATION & COUNTY

Table listing corporation and county issues.

UK PUBLIC BONDS

Table listing UK public bonds.

COMMONWEALTH GOVT.

Table listing Commonwealth government issues.

FOREIGN STOCKS

Table listing foreign stocks.

STERLING ISSUES BY OVERSEAS BORROWERS

Table listing sterling issues by overseas borrowers.

BANKS, DISCOUNT

Table listing banks and discount issues.

BREWERIES

Table listing brewery issues.

COMMERICAL, INDUSTRIAL

Table listing commercial and industrial issues.

RECENT ISSUES

Table of recent issues.

RIGHTS OFFERS

Table of rights offers.

LEADERS AND LAGGARDS

Table of leaders and laggards.

TRADITIONAL OPTIONS

Table of traditional options.

FINANCIAL TIMES STOCK INDICES

Table of financial times stock indices.

Handwritten signature at the bottom of the page.

STOCK EXCHANGE DEALINGS

Details of business done shown below have been taken with consent from the Thursday Stock Exchange Official List and should not be reproduced without permission.

They are not in order of execution but in ascending order which denotes the day's highest and lowest dealing prices.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

Table of stock deals including columns for company name, price, and quantity. Includes entries like 'British Petroleum', 'Shell', and 'BP Energy Services'.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Large table listing various unit trusts and their performance metrics. Columns include trust name, manager, and performance data. Includes entries like 'Abbey Unit Trust', 'Barbican Fund Managers', and 'Legal & General'.

Biotechnology advertisement for the Financial Times. Text includes 'Publication date: May 2, 1986', 'Advertisement copy date: April 14, 1986', and 'proposes to publish this Survey on the above date'.

Financial Times logo and contact information. Text includes 'WILLIAM CLUTTERBUCK on 01-248 8000 ext 4148' and 'Europe's Business Newspaper'.

AUTHORISED UNIT TRUSTS & INSURANCES

Main table listing various financial products, companies, and their details. Includes columns for company names, product names, and numerical values. The table is organized into multiple columns and rows, covering a wide range of financial services.

INSURANCES

Table listing insurance companies and their details, including names, addresses, and contact information.

Handwritten signature or mark at the bottom center of the page.

INSURANCE, OVERSEAS & MONEY FUNDS

Handwritten note: 60/10/10/10/10

Table of financial data for various insurance and overseas funds, including company names, fund names, and numerical values.

Table of financial data for various insurance and overseas funds, including company names, fund names, and numerical values.

Table of financial data for various insurance and overseas funds, including company names, fund names, and numerical values.

Table of financial data for various insurance and overseas funds, including company names, fund names, and numerical values.

Money Market Trust Funds

Money Market Bank Accounts

NOTES

TRADITIONAL OPTIONS

Table of traditional options including 3-month call rates and various market indicators.

LONDON SHARE SERVICE

BRITISH FUNDS

Table of British Funds with columns for Stock, Price, Dividend, and Yield. Includes sub-sections for Five Years, One Five Years, and Updated.

AMERICANS-Cont.

Table of American Stocks with columns for Stock, Price, Dividend, and Yield. Includes sub-sections for Five Years, One Five Years, and Updated.

BUILDING, TIMBER, ROADS-Cont.

Table of Building, Timber, and Roads stocks with columns for Stock, Price, Dividend, and Yield.

DRAPERY & STORES-Cont.

Table of Drapery and Stores stocks with columns for Stock, Price, Dividend, and Yield.

INT. BANK AND SEAS

Table of International Bank and Sea stocks with columns for Stock, Price, Dividend, and Yield.

CANADIANS

Table of Canadian stocks with columns for Stock, Price, Dividend, and Yield.

CHEMICALS, PLASTICS

Table of Chemicals and Plastics stocks with columns for Stock, Price, Dividend, and Yield.

COMPOSITION LOANS

Table of Composition Loans with columns for Stock, Price, Dividend, and Yield.

BANKS, HP & LEASING

Table of Banks, HP, and Leasing stocks with columns for Stock, Price, Dividend, and Yield.

DRAPERY AND STORES

Table of Drapery and Stores stocks with columns for Stock, Price, Dividend, and Yield.

COMMONWEALTH & AFRICAN

Table of Commonwealth and African stocks with columns for Stock, Price, Dividend, and Yield.

BEERS, WINES & SPIRITS

Table of Beers, Wines, and Spirits stocks with columns for Stock, Price, Dividend, and Yield.

ENGINEERING

Table of Engineering stocks with columns for Stock, Price, Dividend, and Yield.

LOANS

Table of Loans with columns for Stock, Price, Dividend, and Yield.

HIRE PURCHASE, LEASING, ETC.

Table of Hire Purchase, Leasing, etc. stocks with columns for Stock, Price, Dividend, and Yield.

HOTELS AND CATERERS

Table of Hotels and Caterers stocks with columns for Stock, Price, Dividend, and Yield.

FOREIGN BONDS & RAILS

Table of Foreign Bonds and Rails with columns for Stock, Price, Dividend, and Yield.

AMERICANS

Table of American stocks with columns for Stock, Price, Dividend, and Yield.

BUILDING, TIMBER, ROADS

Table of Building, Timber, and Roads stocks with columns for Stock, Price, Dividend, and Yield.

AMERICANS-Cont.

Table of American Stocks with columns for Stock, Price, Dividend, and Yield.

AMERICANS-Cont.

Table of American Stocks with columns for Stock, Price, Dividend, and Yield.

AMERICANS-Cont.

Table of American Stocks with columns for Stock, Price, Dividend, and Yield.

AMERICANS-Cont.

Table of American Stocks with columns for Stock, Price, Dividend, and Yield.

AMERICANS-Cont.

Table of American Stocks with columns for Stock, Price, Dividend, and Yield.

AMERICANS-Cont.

Table of American Stocks with columns for Stock, Price, Dividend, and Yield.

ENGINEERING-Continued

Table of Engineering stocks with columns for Stock, Price, Dividend, and Yield.

INDUSTRIALS-Continued

Table of Industrial stocks with columns for Stock, Price, Dividend, and Yield.

FOOD, GROCERIES, ETC.

Table of Food, Groceries, etc. stocks with columns for Stock, Price, Dividend, and Yield.

INDUSTRIALS (Misc.)

Table of Industrial (Miscellaneous) stocks with columns for Stock, Price, Dividend, and Yield.

Handwritten note: 'well noted'

Handwritten note: "Do not use"

INDUSTRIALS - Cont.

Table of industrial stock prices including companies like Shell, British Petroleum, and others.

LEISURE - Continued

Table of leisure stock prices including companies like British Skyways and others.

PROPERTY - Continued

Table of property stock prices including companies like British Land and others.

INVESTMENT TRUSTS - Cont.

Table of investment trusts including companies like British Venture Capital and others.

FINANCE, LAND - Cont.

Table of finance and land stock prices including companies like British Equities and others.

MINES - Continued

Table of mines stock prices including companies like Anglo-American and others.

MOTORS, AIRCRAFT TRADES

Table of motor and aircraft trade stock prices including companies like Honda and others.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stock prices including companies like News International and others.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising stock prices including companies like Newsprint and others.

INSURANCE

Table of insurance stock prices including companies like Prudential and others.

PROPERTY

Table of property stock prices including companies like British Land and others.

LEISURE

Table of leisure stock prices including companies like British Skyways and others.

COMMERCIAL VEHICLES

Table of commercial vehicle stock prices including companies like Ford and others.

COMPONENTS

Table of components stock prices including companies like BHP and others.

GARAGES AND DISTRIBUTORS

Table of garage and distributor stock prices including companies like Shell and others.

SHIPPING

Table of shipping stock prices including companies like Harbortrust and others.

SHOES AND LEATHER

Table of shoes and leather stock prices including companies like Bata and others.

SOUTH AFRICANS

Table of South African stock prices including companies like Anglo-American and others.

TEXTILES

Table of textiles stock prices including companies like Birell and others.

TOBACCO

Table of tobacco stock prices including companies like British American Tobacco and others.

SHIPPING

Table of shipping stock prices including companies like Harbortrust and others.

SHOES AND LEATHER

Table of shoes and leather stock prices including companies like Bata and others.

SOUTH AFRICANS

Table of South African stock prices including companies like Anglo-American and others.

TEXTILES

Table of textiles stock prices including companies like Birell and others.

TOBACCO

Table of tobacco stock prices including companies like British American Tobacco and others.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stock prices including companies like British Equities and others.

FINANCE, LAND, etc

Table of finance, land, and other stock prices including companies like British Venture Capital and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

OVERSEAS TRADERS

Table of overseas traders stock prices including companies like Anglo-American and others.

PLANTATIONS

Table of plantation stock prices including companies like De Beers and others.

TEAS

Table of tea stock prices including companies like Unilever and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

NOTES

Notes regarding stock prices and market conditions.

PLANTATIONS

Table of plantation stock prices including companies like De Beers and others.

TEAS

Table of tea stock prices including companies like Unilever and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

MINES

Table of mines stock prices including companies like Anglo-American and others.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo-American and others.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo-American and others.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo-American and others.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo-American and others.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo-American and others.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo-American and others.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo-American and others.

REGIONAL & IRISH STOCKS

Table of regional and Irish stocks including companies like Anglo-American and others.



CEGB makes price cut claim

BY MAURICE SAMUELSON

THE ELECTRICITY industry could save about £550m a year and cut prices by 7 per cent if it were allowed to raise its coal imports to 30m tonnes a year, says the Central Electricity Generating Board.

CEGB chairman, that electricity consumers are "subsidising" the coal industry. The document says imported coal would be £33 a tonne compared with last October's NCB price of £36 a tonne.

Under a joint understanding with the NCB, it takes 95 per cent of this coal from British mines. The CEGB criticises lack of flexibility in the NCB pricing structure.

It believes this is little more than a first step and would like the NCB pricing structure to be based on production costs of individual parts of the industry, rather than on the average national output cost.

Inflation rate falls to 5.5%

By Philip Stephens, Economics Correspondent

BRITAIN'S annual inflation rate fell to 5.5 per cent last month from 5.7 per cent in December and further declines are expected over the next few months as petrol prices continue to fall.

The Department of Employment said yesterday that its index of retail prices showed a 0.2 per cent rise in January, below the increase seen at the same time last year.

The Government expects the pace of annual price rises to slow further, perhaps to 4 per cent or below by the summer. Large rises in the index last year, following increases in the mortgage rate, will drop out of the annual calculation over coming months, while cuts in the price of petrol will continue to feed through.

Pressure on manufacturers to increase their prices has also been reduced by the sharp drop in raw material costs resulting from cheaper oil and weak international commodity prices. Between last May and January the petrol price fell by an average of 13p per gallon.

and further reductions of about 3p are likely to be reflected in the index over the next two months. City economists generally share the Treasury's optimism that the inflation rate will be sharply lower by the summer, although the extent of the drop could depend on whether it decides to put an additional duty on petrol in the Budget.

The longer-term outlook is likely to depend on whether wage settlements in the pay round beginning in the autumn come down in line with lower inflation. The Treasury, which is preparing its economic forecasts for the Budget, is believed to be assuming some reduction in the size of pay deals and is expected to forecast that the inflation rate will fall to nearly 3 per cent at some point next year.

Many independent economists, however, believe that buoyant profits could encourage companies to agree to high pay demands. Yesterday's figures show the Retail Price Index at 372.7 in January (1974=100) compared with 378.9 in December. The Tax and Price Index, which measures the effect of tax and price changes on earnings, stood at 1929.9 in January 1978-100, up 4.4 per cent on a year earlier.

Continued from Page 1 Morgan Banknotes Continued from Page 1

Volkswagen to take over Seat

BY JOHN DAVIES IN FRANKFURT AND DAVID WHITE IN MADRID

VOLKSWAGEN, the West German motor vehicle group, yesterday agreed to a phased takeover of Seat, the loss-making state-owned Spanish car producer, at a total cost of about DM 1.3bn (£288m).

The takeover will strengthen VW's freshly won position as market leader in Europe. It follows a year of tough negotiations culminating in agreement by the Madrid government to assume Seat debt to help clear the way for the deal.

VW will initially buy a 51 per cent stake in Seat for about DM 660m with an option to buy a further 24 per cent holding later this year. It plans to take over the remaining 25 per cent by the end of 1990 "at the latest".

VW's supervisory board, representing shareholders and workers, yesterday gave the formal go-ahead for the management to arrange a contract to buy a majority stake, expected to be signed in April or May.

Seat's takeover is an important part of VW's strategy as a multinational group. Along with producing its own cars, Seat has been assembling VW Passat models under licence

for the Spanish market since 1983, and VW Polo models have been rolling off Seat assembly lines since 1984 for European markets other than Germany. Seat has also been importing cars from VW and its Audi up-market subsidiary since 1983 for sale through its network of dealers.

In future, the Spanish operation will become integrated as a third "pillar" of the West German group alongside the VW parent company and Audi.

For VW, the deal represents an ambitious project calling for considerable effort and investment. It plans to develop the Seat range and see the takeover ensuring extra sales both in Spain and elsewhere in Europe.

Planned investment at Seat will involve about Pta 500bn (£2.4bn) and include either the rebuilding of Seat's Barcelona car plant or the construction of a new facility. The Seat workforce of 23,000 is to be cut to 21,000 by the end of this year, with further cuts planned after that.

Seat produced about 300,000 cars last year, including nearly 100,000 under licence for VW. Under plans drawn up by VW and the INI Spanish state holding group, Seat will produce 400,000 cars annually in the early 1990s. This will consist of 270,000 Seat models and 130,000 VW models.

Through the link with Seat, VW and Audi together have increased their market share in Spain from less than 1 per cent in 1982 to 8.6 per cent last year. Along with the success of VW's new generation Golf in other markets, this lifted the VW group to European market leader for the first time last year with a 12.9 per cent share of car sales.

IN December Spain agreed to cover the state-owned car producer's outstanding debts of Pta 168bn on INI's behalf. Seat, which last year overtook Ford and General Motors as Spain's biggest car producer, is estimated to have suffered a loss in 1985 similar to the previous year's Pta 36.2bn.

Under plans drawn up by VW and the INI Spanish state holding group, Seat will produce 400,000 cars annually in the early 1990s. This will consist of 270,000 Seat models and 130,000 VW models.

Through the link with Seat, VW and Audi together have increased their market share in Spain from less than 1 per cent in 1982 to 8.6 per cent last year. Along with the success of VW's new generation Golf in other markets, this lifted the VW group to European market leader for the first time last year with a 12.9 per cent share of car sales.

IN December Spain agreed to cover the state-owned car producer's outstanding debts of Pta 168bn on INI's behalf. Seat, which last year overtook Ford and General Motors as Spain's biggest car producer, is estimated to have suffered a loss in 1985 similar to the previous year's Pta 36.2bn.

Under plans drawn up by VW and the INI Spanish state holding group, Seat will produce 400,000 cars annually in the early 1990s. This will consist of 270,000 Seat models and 130,000 VW models.

Through the link with Seat, VW and Audi together have increased their market share in Spain from less than 1 per cent in 1982 to 8.6 per cent last year. Along with the success of VW's new generation Golf in other markets, this lifted the VW group to European market leader for the first time last year with a 12.9 per cent share of car sales.

IN December Spain agreed to cover the state-owned car producer's outstanding debts of Pta 168bn on INI's behalf. Seat, which last year overtook Ford and General Motors as Spain's biggest car producer, is estimated to have suffered a loss in 1985 similar to the previous year's Pta 36.2bn.

Under plans drawn up by VW and the INI Spanish state holding group, Seat will produce 400,000 cars annually in the early 1990s. This will consist of 270,000 Seat models and 130,000 VW models.

Printers reject blacking of Times supplements

By Philip Bassett, Labour Correspondent

NEWS INTERNATIONAL last night welcomed the outcome of the National Graphical Association's ballot of members involved in printing the Times' supplements which showed narrow majorities against taking industrial action over the Wapping dispute in two of the three ballots taken.

The refusal of the NGA's members to black production of the supplements is a significant blow to the union's hopes of exerting pressure on Mr Rupert Murdoch's company over the production of its papers at the new Wapping east London plant and winning wider trade union support for its case.

Mr Tony Dubbins, NGA general secretary, said the result was a "disappointment" but added that the blacking of the paper's educational and literary supplements would be reimposed from 6 am next Wednesday by those who had voted in favour of action.

The union mounted three separate votes under the terms of the Government's 1984 Trade Union Act in an effort to keep within the law and avoid sequestration of its £17m assets. The first, carried out 10 days ago, among members who, News International says, work for a company called Pyco, a subsidiary of the IT Matters contract typesetting group, went 5 votes to nil in favour of action.

The vote was taken, though, before the legal confusion at the end of last week when the union was fined for contempt of court for previous blacking, announced more action, and then called it off. The company then abandoned its action for sequestration, all within a few hours.

Two votes taken after that both saw further action rejected — at the Northampton Mercury, where the supplements are printed, by 26 votes to 22, and at Typematters (South), a further IT subsidiary, where the vote was 60-51.

Mr Dubbins said members taking part in the ballot were subjected to threats and intimidation, including writs against five individuals (at Northampton) and "strike-breaking squads" ready to print the supplements. Mr Peter Pemberton, the Mercury's production director, said such suggestions were "ridiculous" — though he acknowledged that on one occasion when the supplements had not been printed there, writs had been issued for breach of contract.

Mr Dubbins said unions were sometimes accused of "bribe and intimidation." "Compare what is going on at the present time in this country, trade unions are really innocents. What is going on at the moment is reminiscent of the mafia."

THE LEX COLUMN

Yielding to the inevitable

As the London equity indices go from strength to strength — or at any rate from peak to peak — the market seems to be populated largely by merger-treks and old-fashioned bears.

The old-fashioned pessimists point to the comparatively wide stretch of the yield gap, and to the rising historic multiples, already in regions where they appear to discount the earnings of 1987. Taking time off from making money, the bulls are prepared to argue that concentration on the year after next is no more than the proper function of the market. Cheaper oil is going to be good for manufacturing margins, the volume of trade, and even sterling value of overseas profits; for the optimist, the strength of company liquidity is such as to make the direction of base rates almost irrelevant. And if an excuse were needed for taking a long view of earnings, it is that the general election has shifted the investment horizon outwards; perhaps the one beneficial effect of Westland.

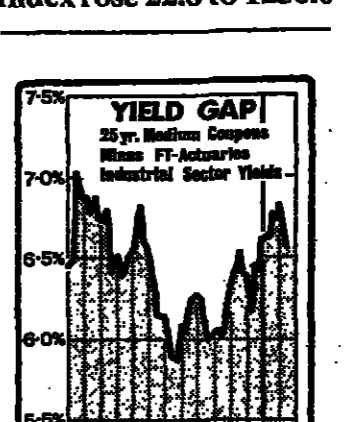
construction work; and even the job-lot packaging of Barrow with the loss-making Cammell-Laird yard on Merseyside is less of a deterrent now that Cammell has a frigate and three diesel-electric boats to build. It is promising profit by 1987-88.

On the sort of prospective earnings valuation used by GEC last year in buying the Yarrow frigate yard, the two yards in a perfect world would go for around £45m. Cash is flowing in from regular MoD payments while profits progression is assisted by BS' conservative manner of accounting for contracting profit — leaving aside the build-up of the Trident programme or the paying-down of debt if the employee buy-out goes ahead.

However, Cammell has substantial negative net worth while Yarrow — unlike Yarrow — is saddled with a large capital expenditure programme: some £130m has been spent by the Government, with another £100m to go if the Trident boats are to be built undercover and away from prying eyes. The past losses and under-recovered overhead at Cammell-Laird may be written off as so much water down the Mersey, but the Government may be less ready to wave goodbye to its Barrow investment as money well-spent in increasing the yard's efficiency. Indeed, the value of the business is largely conditional on how the Trident risk is shared between the MoD and the bidder (via the DTI), as Thursday's vacillations suggest.

As the bidder with the longer purse, Trafalgar House is

Index rose 22.8 to 1256.0



financially favoured. Even if the Barrow and Birtwick employees could be tempted into putting up £10m or 20 per cent of the equity — and this was a very long shot before a promise of free shares from the institutional pot — the consortium still faces an awesome capital-raising exercise: it must construct a balance sheet sufficient enough for the single-sector business and political uncertainty of the work and retain a cushion of long-term quasi-capital to meet token and bonding requirements. Equally, Trafalgar House will start at a political disadvantage which can only deepen if it starts shuffling design and building work between the yards and the rest of its empire.

Getting Thorn EMI's trading performance right is unlikely to be the work of a few months, but a determined clearance of fringe assets is visibly improving the balance sheet over a matter of weeks. Starting from peak debt of over £500m, Thorn should have pulled back roughly £150m of core borrowings by the end of this month — assuming that the managers of the screen entertainments division can put together the necessary £100m in time to complete their buy-out.

Even if that deal ends up having to be re-designed, Thorn will surely be shot of TEESE before too long. And yesterday's £42m sale of the heating business to Myson went off without a hitch, bringing in £24m of immediate cash and £11m of goodwill; if Myson makes a go of rationalising its enlarged business, Thorn's 22 per cent stake in Myson should be a better investment than 100 per cent of the company that is being sold.

The more difficult part of the Thorn revival will come next year, when further reduction in gearing will essentially have to be achieved by squeezing the working capital of continuing businesses and making better use of fixed assets as well; shifting the Rumbelows rental operation into Thorn's specialist rental chains will help with both. But to shed the planned £250m of borrowings by 1987 remains a tallish order, even with the help of a £10m pension holiday for each of the next three years.

Capital Gains or Losses?? "BED & BREAKFAST" COMPARE THE COSTS!!! CONSIDERATION PER TRANSACTION APPROX STOCK EXCHANGE COSTS APPROX SHARE SHOP COSTS

Thorn switches TV rentals

BY JASON CRISP AND CHARLES BATCHELOR

RUMBELOWS, the electrical retail chain owned by Thorn EMI, is getting out of the television rental business with the loss of 650 jobs.

This emerged yesterday as Thorn EMI itself announced it was selling its heating division to Myson for £42m and cutting contributions to its pension scheme because of an unexpected surplus.

The troubled electronics to music group has faced difficulties since last summer and has disposed of a number of businesses to raise cash and rationalise its highly diversified activities. The largest disposal involves Screen Entertainment which is being sold to its management and other investors for £110m.

Thorn EMI has incurred heavy losses at Immos, the microchip manufacturer, and has been carrying out a major re-organisation of its Ferguson factories. The three decisions yesterday were: ● Rumbelows is to concentrate

on retailing electrical goods. Its 350,000 rental customers are being transferred to Radio Rentals, part of Thorn EMI's large TV and video rental business. The 650 redundancies are in the services and administration departments although some employees may be employed elsewhere in the group.

The rental business occupied an average of 15 per cent of Rumbelows' floor space in its 400 shops, many of which have been suffering from space constraints. Rumbelows is seeking larger high street premises and is refurbishing its existing shops.

Thorn is selling its heating division, which makes central heating equipment, water heaters and gas fires, for £42m in cash and shares to Myson Group, the heating and ventilation equipment group.

Thorn EMI Heating's profits fell to £500,000 in the first half of the year ending March on turnover of £41.2m following the imposition of VAT on home

improvements and cuts in housing grants. Profits have recovered in the second half and the year as a whole is expected to show a profit of just over £1m, though this will still be lower than the £7m recorded in 1984-85.

This deal makes Myson one of the largest and most widely diversified groups in the UK domestic heating equipment market. It adds £82m of sales to Myson's £55m turnover and more than doubles its workforce to 4,100.

Thorn will boost profits by between £9m and £10m a year for the next three years following the discovery of a substantial surplus in its pension fund. It will also pay £26m into the fund's contingency reserve.

The company will cut its contribution to the scheme from 7.2 per cent to 2.5 per cent of its wage bills for the next three years but the employees' contribution will be reduced permanently from 6 per cent to 5 per cent. Existing pensioners will have their pensions fully adjusted for inflation up to the present.

The London stock market reacted favourably to the news, particularly on the pension surplus and pushed Thorn EMI's shares higher to a close of 445p yesterday.

CHIEF PRICE CHANGES YESTERDAY

Table with columns for RISES and FALLS, listing various stocks and their price changes.

WORLDWIDE WEATHER

Table listing weather conditions for various global locations, including city names, current conditions, and forecasts.

WEEKEND FT

Saturday February 22 1986

MARKETS • FINANCE & THE FAMILY • PROPERTY • TRAVEL • MOTORING • DIVERSIONS • HOW TO SPEND IT • BOOKS • ARTS • TV

Orderly House

Behind the polite debate and feudal pantomime, the Lords is again playing a big role in shaping British law. Kevin Brown reports.

THE GOVERNMENT'S business managers will be watching the House of Lords closely on Tuesday when the Shops Bill, which legalises Sunday trading, completes its legislative passage through the upper chamber. The Bill will be given an unopposed third reading because of the convention that peers do not vote down major items of government legislation, but ministers will be far more interested in gauging the extent of support for a possible fight with the Commons on the details of the measure.

The Shops Bill is a good example of the process of conciliation that has become an important part of the everyday business of parliament in recent years as the Lords has reassessed its role to a major role in influencing legislation. The requirement for the final form of every Bill to be agreed by both Houses gives the upper House enormous power over details, particularly during the term of a radical government with a heavy legislative programme.

The present Government has had frequent difficulties in the Lords, which are often pictured by ministers as the establishment hitting back. The paradox is that it is precisely the undemocratic nature of the Lords which has propelled it into the front line of opposition to the Government. Few peers, even on the Conservative benches, owe anything to the Prime Minister, and many are of a generation out of tune with the tone of her leadership. In addition, the fact that peers cannot be removed, either by electorate or party, gives them greater freedom than MPs, and promotes cross-party alliances that would be unthinkable in the Commons.

Yet, if that is extraordinary, how much more so is the fact that the Lords exists at all—a place where more than 1,100 people have the status and style of feudal barons and, in many cases, can pass on their privileges to their children; and where, although unelected, members have an automatic role in drafting legislation for nearly 900 others. It is, however, a perfect example of the British flair for compromise along with the national unwillingness to tamper with institutions that appear to work, however, imperfectly.

The House has, however, survived a number of assassination attempts including outright abolition by Cromwell,

who reneged on his promise to respect the rights of peers. History records that their lordships met after the Restoration at their usual time and place without a special summons, and with no more ceremony or thanksgiving than was customary after any ordinary holiday adjournment.

That kind of savoir-faire was a match even for the reforming Liberal Government of 1906-15. Asquith and Lloyd George clipped the wings of the Upper House in the 1911 Parliament Act, which removed the Lords' veto on legislation; but they failed entirely to enforce the preamble to the Act, which threatened the imminent creation of a popularly elected second chamber. Even the introduction of life peers, a sop to egalitarianism introduced by the Conservatives in 1958, failed to change the character of "the other place," as MPs call it. The Lords quickly assimilated the new blood, trumpeted their commitment to meritocracy, and continued much as before. As a senior hereditary peer put it: "Once a man is here, he's on the same footing as the rest of us; the status of his eldest son doesn't matter here."

So the Lords continues into its eighth century, veto gone but still with power as a revising chamber, to make wholesale changes to legislation. Nowadays, what it does is open to the scrutiny of a mass television audience estimated at up to 2m. To the broadcasting authorities, televising the Lords was a loss leader intended to insinuate the cameras into the Commons; an opportunity MPs were eccentric enough to turn down. But the peers recognised a good thing when they saw it, in the same way that they installed a press gallery for journalists several years ahead of the Commons last century.

Unfortunately, the best television pictures reflect the weakest justification for the Lords—its lingering attachment to the Middle Ages, rather than its role as a modern legislature. The prime example is the State Opening, when the Lords comes into its own as the parliament chamber: robed and seated peers and the Queen on her golden throne contrast with members of the Commons who are kept standing at the Bar of the House. This is the occasion on which other sensible men dress up in pantomime costumes and parade before the cameras in their feudal guise as Sword of State, Cap of Maintenance, Gold Stick in Waiting, Rouge Dragon Pursuivant, and so on. Even sillier is the ceremony for the introduction of new peers, an affair involving tricorn hats and heralds in gold lame jackets that look like something dreamed up by Anthony Hope for *The Prisoner of Zenda*.

The Lord Ensworth tendency turns up again when the Queen's Most Gracious Majesty is pleased to announce the Royal Assent to a Bill. This is done in Norman French, which sounds a bit like the Prime Minister's Channel Tunnel speech in Lille a few weeks ago. Then, there is the curious sight of the Lord Chancellor, the venerable Lord Hailsham of St. Marylebone, dressed in knee breeches and black and gold robes, pushing a small wheeled table across the chamber when he wants to stop being Speaker for a few moments

in order to speak as a Government minister. All this takes place in Augustus Pugin's richly decorated Victorian chamber, where mediaeval dukes gaze in effigy on red velvet floor cushions known as woolsocks because the economy once depended on sheep.

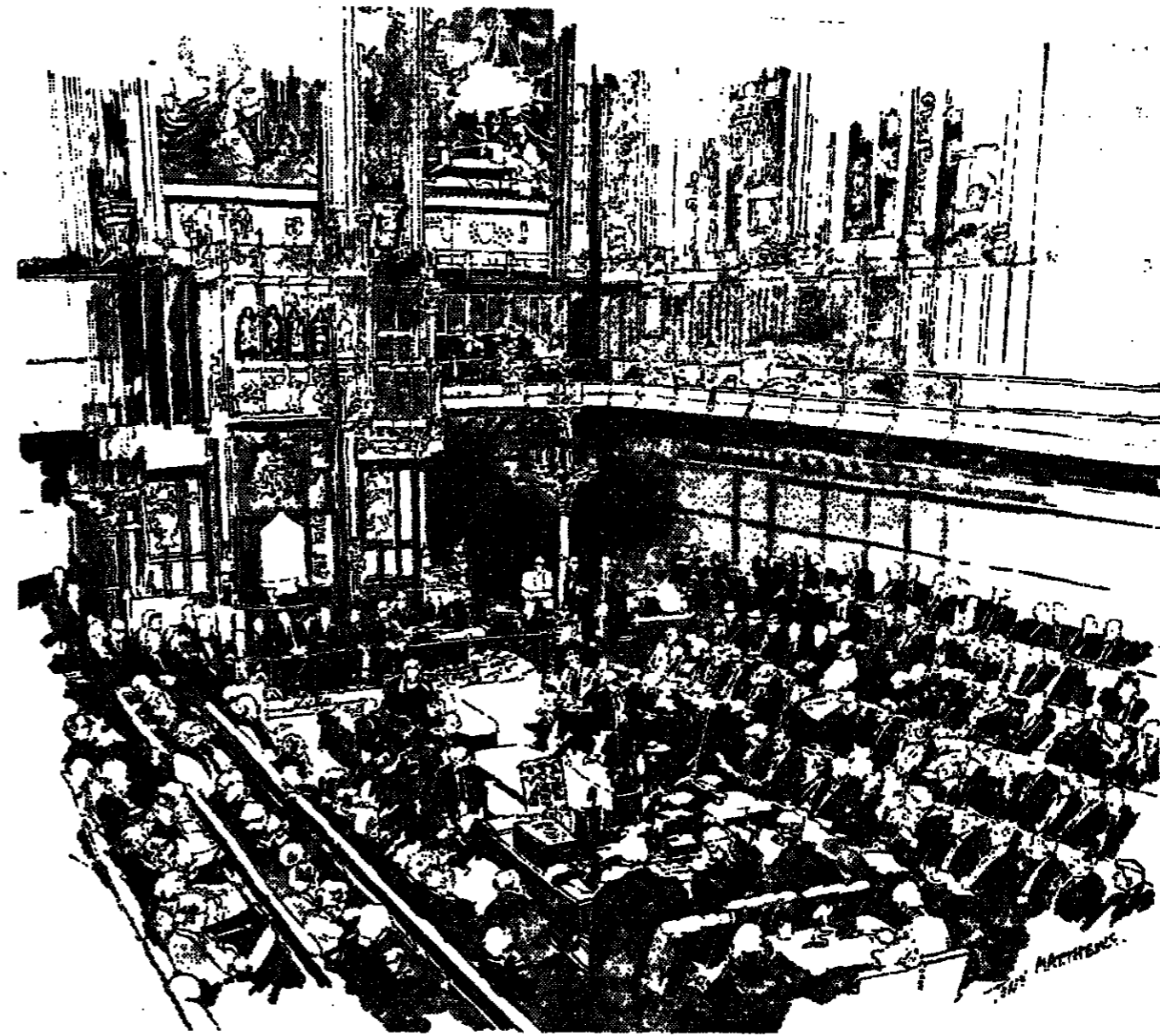
In fact, the mediaeval air of the Lords is largely a fraud. Only seven peerages survive from the 13th century, and only 55 were created before the end of the 18th. Even taking into account the generosity of the Georgian monarchs and Victoria, the vast majority of peerages—733, or 63 per cent of the total inscribed on the parchment Roll of the Lords kept by the Garter King at Arms—have been created since 1900.

Many were surrounded by controversy, most notably Lloyd-George's sales of peerages after the Great War and Lord Wilson's resignation honours list in 1976. Author John Walker, in his book *The Queen Has Been Pleased*, estimates that 11 of the peerages created between 1970 and 1985 went to businessmen whose companies had donated £1.9m to the Conservative Party.

Many television viewers have been surprised to find that peers do not attend ordinary debates in ermine robes and coronets, although the discovery does not seem to have affected the ratings. What television cannot convey, however, is the peculiar atmosphere of the chamber, best described as a cross between Anbridge Parish Council and the General Synod. Members do not actually murmur "After you, old boy; no, after you," but it always feels as if they are about to. The most passionate display of emotion you are ever likely to hear is the hen-like clucking as peers make clear their preferred speaker on the rare occasions when two members dispute the floor.

The House is run on the basis of an intricate old boy network drawing together the hereditary peers, the clergy, the law lords, the trade union bosses (retired), the bright lights of the universities and the City and, most important of all, the alumni of the Commons. In the upper House, which tries to accommodate every shade of opinion in debate, personal relations are far more important than in the lower chamber. Lord Whitelaw, the Leader of the Lords, maintains proceedings would break down rapidly if party leaders were unable to get on and, in particular, if he was not as friendly as he is with Lord Cledwyn of Penrhos, the Labour leader. Lord Whitelaw says of Lord Cledwyn, with whom he sat in the Commons for nearly 30 years, that "if I absolutely needed it, in the final event he would support me"—even if it meant upsetting some of Labour's more radical peers.

The reason for this lies in the acceptance by leading peers of all parties that the Lords should be a chamber devoted to argument rather than controversy. Lord Whitelaw, who was elevated as an hereditary viscount in 1983, sees the Commons as the pre-eminent battlefield for political power. This does spill over into the Lords but only in a polite manner as befits a House that has forsworn the right to



make and break governments. On the other hand, governments can be defeated in the Lords because no party commands an absolute majority. Precise figures are hard to come by, because some peers do not attend and others go irregularly; but in round figures about 45 per cent of peers support the Tory Government, 25 per cent the Opposition parties, and the rest are independent crossbenchers. This means that an alliance of Opposition and Government peers can usually defeat the Government, especially if backed by a few rebellious Conservatives. On average, most governments are defeated in the Lords between 10 and 20 times a year.

Some of the Government defeats in the present parliament have been very important, particularly those on the two controversial local government Bills to abolish the metropolitan county councils, including the Greater London Council—a major plank of Government policy. Just as important, however, and less publicised, are the amendments to Bills that are carried without a division—sometimes hundreds in a session. This is where the Lords does its real work; in the detailed, sometimes difficult and often tedious business of making sure that legislation actually will work. On almost any issue the peers can mount an impressive array of specialist talent (some hereditary,

some not), who can, in turn, call on the contacts of a lifetime in whatever field is under discussion.

The great curse of the Lords is old age. Lord Ardwick, a Labour peer who once edited the *Daily Herald*, carried out a survey during the debate on the Shops Bill which revealed that no fewer than six peers in the chamber had connections with the Great War including the Earl of Stockton (Harold Macmillan) who is 92, and Lord Shinwell, the only centenarian ever to have spoken in the House. The Opposition front bench leans heavily on half a dozen peers who are over 70; the Government front bench looks relatively youthful by comparison with the exception of Lord Hailsham, who is 78. The high average age of the chamber is underlined, however, by the nickname given to the group of youthful hereditary peers who fill junior ministerial posts and are known as "the beardless boys," even though their average age must be well over 40.

It is an open secret that several leading peers on both sides of the House have made clear to their respective party leaders that the chamber is in danger of ceasing to function properly unless more younger working peers can be created, preferably with specialised areas of expertise. But this must inevitably call into question the composition of the Lords itself—after all,

few high-fliers want to spend four days a week in an institution that represents nobody and is responsible to everyone.

Many peers accept that the role of the Lords is less difficult to defend than its membership, but there is no more agreement on reform now than there has been in the past. The House is still under threat of abolition from Labour, which would please few Labour peers; and of an as-yet-undefined shake-up from the Alliance, probably including the creation of peers selected from the European and (proposed) regional assemblies, which would please no one. Some Conservatives, including Lord Whitelaw, would not object to a restriction on the inherited right to sit in the Lords by requiring the hereditary members to elect an agreed number of "voting peers" from among themselves. However, critics say this would be likely to stir up more antagonism by appearing to stave off real reform once again.

So, change seems no more likely than at any time this century, and there will certainly be no serious consideration of the subject during the lifetime of the present Government. In the meantime, critics of the Lords may like to ponder the words of the novelist L. P. Hartley at the beginning of *The Go Between*: "The past is a foreign country; they do things differently there."

The Long View

Bite your nails while you celebrate

THE EXPLANATIONS are getting a bit thin. Where in the earlier stages of the bull market there was much talk of rising profits, undervalued assets and the joys of disinflation, honest brokers now tend to say that the market is going up because it is going up—of course, because of takeovers.

If takeovers were based on industrial logic, or could be relied on to pass sleepy enterprises into the hands of more effective managers, then the values established during the boom might be sustainable, but apart from strong doubts on both these scores, we have a new factor in the market. We have had takeover booms before, but never such a boom which is essentially defensive.

This business of organising friendly bids to forestall unfriendly ones has come over, like most financial fashions, from New York, where it has gone a great deal further. The age of the corporate raider war there has resulted in a defensive orgy of leveraged buy-outs, equity buy-ins, and bank-financed white knights which has turned the New York market into a high-risk area.

The substitution of bank and other debt for equity has now reached the \$100bn mark, as Mr Paul Volcker reminded Congress this week, which leaves the whole corporate sector somewhat over-gear'd. It is small wonder that the equity market has been driven to silly new records, with this weight of corporate money behind it—gor that the equity market now goes into spasms over every hint of an interest rate move. Every basis point move on all that floating debt affects net profits by some 20m, a full percentage point or 1bn.

Things are not as bad as that over here, of course, because in some ways our rules are stricter: buy-outs and debt-financed bids, yes; buy-ins and

Bid fever drives prices up; it also drives managements to some highly creative accounting to inflate reported profits. It would take some very strong gains from mergers to justify these numbers in future performance, says Anthony Harris



is fully justified, and leave it at that. The arguments for caution, which are again being heard in the City, are based on two more generalised sources of unease: the experience of the past, which suggests that values established in a takeover boom never are maintained; and unease about the appetite of British companies for ever-growing borrowing.

The credit question may well be resolved, one way or another, before many months have passed. Two quite different stories have been in circulation about the persistence of high corporate borrowing during a period of very healthy corporate cash flow. The official Bank of England version is that while it is all very puzzling, the borrowing probably reflects the fact that while some companies can pile up cash mountains, others cannot. Credit therefore flows between companies.

The City version, which can be heard from any practitioner in the money markets, but is strenuously denied by the Bank, is that most of the borrowing represents financial opportunism by corporate treasurers. The Bank of England dominates the short-term credit market, and sets interest rates which create opportunities for treasurers. In the old days this round-tripping was all within the sterling market, and fairly easy to trace.

More recently, though, it has gone international. If the Bank, for example, holds down the interest rate on commercial bills by buying aggressively, then a British corporate treasurer can sometimes make money by borrowing sterling on a bill, making a covered switch into dollars for a period, and lending in New York.

If you are baffled by these compressed technicalities, don't worry: the point is that if the huge bulge in corporate borrowing is largely explained by some optical illusion of this kind,

there is no need at all to worry about the quality of balance sheets, or the effect of reduced borrowing on equity values. For once I will side with the optimists. The one really strong reason for distrusting the market—apart from any general distrust of post-Opec euphoria, which I discussed last week—is the fact that attention is so gripped by takeovers.

However, this is a very strong reason for distrust. It is not just that bid fever drives prices up; it also drives managements to some highly creative accounting, some highly destructive management practices—notably skimming on research and development—to inflate their reported profits. It would take some very strong gains from mergers to justify these financial numbers in future performance.

Unfortunately this is highly unlikely. Indeed, the present wave of takeovers is probably the least promising we have yet seen. The Government's competition rules positively discriminate against industrial logic, though they do not necessarily ensure sustained competition. The Department of Trade seems unaware in particular of the dangers of allowing companies to spread across too wide a choice of goods carried by the same outlet—the danger that you will only get a supply of the best-selling lager or tea if you also take the same group's soggy potato crisps. The bon is much more about protecting the jobs of directors than about efficiency or shareholders' interests.

In the long run, we need reforms which would make bids redundant by imposing tighter market disciplines on boards before they are threatened in this way—but that is another subject. Meanwhile, be wary of the market; and if you are involved in an actual takeover, on either side: take the money and run.

If you're about to invest in a pension plan make sure it's the best on the market.

ALLIED DUNBAR Managed Fund \$26,283 \$7,000*	EQUITABLE with profits \$28,262 \$7,000*	CONFED-ERATION LIFE Managed Fund \$29,146 \$7,000*	SCOTTISH WIDOWS with profits \$31,358 \$7,000*	SCOTTISH AMICABLE with profits \$34,220 \$7,000*	TARGET Managed Fund \$46,656 \$7,000*
---	---	--	---	---	--

Value of Pension Fund over 10 years to 1st November 1985.
Assumes 10 annual premiums of \$1,000. Amount Invested (Allowing for tax relief at 30%).
Source: Money Magazine February 1986.

If you're self-employed or the director of a private company, you'll know all about the tax advantages of investing in a pension plan.

Your biggest problem will be selecting the best from the rest. Obviously, the most important factor will be the size of your pension fund when you retire.

All too often, this decision is taken as a result of comparing projected growth figures, whereas the only realistic basis for comparison is achieved growth.

The table above compares the actual results of an investment in the Target Personal Pension Plan—linked to the Target Managed Pension Fund—with three leading with profits policies and two other unit linked plans invested in managed funds.

What it doesn't show, however, is that the Target plan has out-performed all other personal pension plans over the last ten years.

What's more, only the Target plan provides you with a guaranteed loanback facility enabling you to draw on your investment whenever you like, with no additional management charges.

Please let me have further information on the Target Pension Plan.

Name: _____
Age: _____ Occupation: _____
Address: _____
Postcode: _____

Business Tel No: _____
Send to: Dept. MF, Target Life Assurance Co. Ltd., Freeport, Aylesbury, Bucks HP19 3YA, The Aylesbury (0296) 6641.

TARGET
TARGET GROUP PLC FT272
UNIT TRUSTS • LIFE ASSURANCE • PENSIONS • FINANCIAL MANAGEMENT

CONTENTS

Finance: Stock market study	VI
Property: High rents for top flats	XII
Starting from Scratch: Bell-ringing	XIV
How To Spend It: Antique furniture	XV
Books: Helen Waddell, Wandering Scholar	XVI
Arts: Berlin Film Festival	XVII
Arts	XVIII
Books	XVIII
Bridge	XVIII
Chess	XVIII
Crossword	XVIII
Divertions	XVIII
XVII Finance & Family	IV-X
XVIII Gardening	XIV
XIX How to Spend It	XV
XX Markets	II, III
XXI Motoring	III
XXII Property	XII
XVIII Sport	IX
XXIII Stock Markets	II, III
XXIV London	IX
XXV New York	IX
XXVI Frankfurt	IX
XXVII Travel	IX
XXVIII TV and Radio	IX

MARKETS

Bidders breathe the new life into takeover struggles

THOSE WHO thought that the whistle blowing efforts of the Office of Fair Trading had slowed down the takeover game, or at least sidelined some of the players, have been proved mistaken this week.

Contenders in two major bid battles — both three-sided affairs — have adopted similar tactics in proposing to dispose of parts of their existing businesses in an effort to weave their way around the obstacles of Monopolies investigations that have already been declared.

On Monday, Imperial Group was subject to not one but two bids worth well over £2bn. Hanson, very much as expected, stepped up the value of its unwaived offer from £1.8bn to £2.32bn but United Biscuits, which had been subject to a friendly defensive bid from Imperial before Hanson and a Monopolies reference intervened, turned the deal on its head by launching a record-breaking offer for Imps worth £2.56bn.

Hoping to escape a Monopolies reference, United says it will sell Imperial's Golden Wonder subsidiary if it is successful. Without creating a 40 per cent share of the snacks market for the enlarged group, the new bid should be waved through by the OFT.

But for United's intervention, Hanson would almost certainly have walked away with Imperial unscathed. For the Hanson offer is just what the market had been looking for at the end of last week. The new terms are one share plus 153p in cash for each Imperial share with a full cash alternative of 293p. The earlier quibble, apart from the initial offer being too low, was that Hanson had failed to put some hard cash on the table.

As the struggles between the titans drag on the market had at least one new large bid to get its teeth into this week. Rank Organisation has launched an aggressive £750m takeover for Granada following the latter's abortive talks with Ladbroke which floundered at the end of last month because the two could not agree merger terms.

Granada, however, has rejected the approach out of hand, even though it is hard to believe that when its management was talking to Ladbroke a few weeks ago it put a value of £750m on its business. Any-way Rank's offer, which is worth around 300p a share, looks fair to the point of generous. Without a bid Granada's shares, on trading grounds alone, could be worth around 240p.

London

tobacco interests to someone like BAT, turning part of this enormous deal into a backdoor rights issue.

Guinness's efforts to breathe fresh life into its agreed bid for Distillers follows a similar line to United. Because the brewing group already had a significant presence in the Scotch whisky industry through its Bell's subsidiary the OFT called for a Monopolies report. The way looked clear for Argyle to pursue its own increased bid to a successful conclusion.

Yet Guinness returned to the fray on Thursday clutching an offer of £2.35bn in one hand, topping Argyle's bid by some £70m, and a promissory note in the other hand to reduce its hold on the UK whisky market to 25 per cent by selling off at least five small companies.

The proposals may be acceptable to the OFT, in which case

Rank's bid is unlikely to flow onwards unchecked, however. There is the question of the IBA's attitude to the television franchise within Granada. Members of the authority will meet next Tuesday to consider the potential change of ownership and may take the same line as last October when they blocked an £82.5m bid for Thames Television from Carlton Communications. But this time round such action would not necessarily mean the end of the bid. The television interests could be floated off in a separate company.

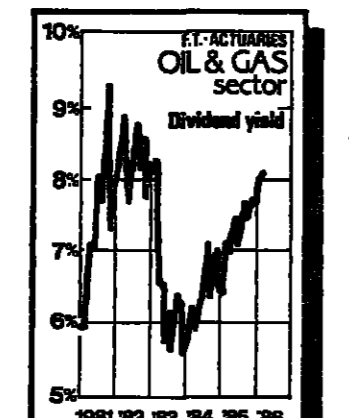
Among the batch of results this week, the full year figures from BP obviously led the field. Net profit rose by 14 per cent to £1.6bn with the downstream operations producing a sharp increase.

Despite the record profits BP's shares reacted nervously as the first quarter of the current year will almost certainly produce a net loss. After a £133m loss on its inventory last year, BP also deducted a further £95m from the last quarter against year-end stocks disposed of in January. Assuming that the average price in this quarter will be some \$10 a barrel lower than in the last quarter of 1985, a further £300m might have to be set off against the three months' profits.

That trend could actually reverse itself mid-year if the oil price recovers to the \$20-\$22 area and so the drop in full-year earnings might be limited to around \$400m.

So the argument for further selling of BP looks increasingly thin, especially as the dividend provides a real return of over 4 per cent in an equity market that looks overvalued on fundamental grounds, holding shares with a 10 per cent yield will not cause many heartaches.

Terry Garrett



Distillers' shareholders once again have two opposing bids on the table with very little to choose between them in terms of value. Argyle has kept up its share buying and is not set to return home, tall between its legs, just yet. However, whether the value attributed to Distillers is already high enough—the prospect of an exit multiple is around 14 adjusting for exceptional items—is quite a different question.

HIGHLIGHTS OF THE WEEK

	Price y/day	Change on week	1985/86 High	1985/86 Low	
FT Ordinary Index	1,256.0	+37.2	1,256.0	911.0	Run to record levels continues
AC Cars	125	+4.0	133	30	Bid from Mr William West
Berkeley and Hay Hill	114	+31	134	74	Share stake changes hands
Bowater Industries	325	+32	360	215	Hanson Trust bid hopes
British Aerospace	500	+48	507	295	Saudi oil-for-arms deal
De Beers Deferred	460	+47	460	265	Annual results due next month
Fairline Boats	180	+36	180	50	Speculative demand
Ford (Martin)	99	+19	99	25	Bid approaches
Geec (Ceeli)	145	+35	185	107	Press comment
Glaxo	510	+105	510	537	Revived US demand
Granada	292	+64	312	148	Bid from Rank Organisation
Jaguar	490	+22	500	237	Renewed US support
Lombard	269	+31	269	147	Rumours of stake buy-back persist
Luca Industries	605	+98	605	227	Beneficiary of Saudi defence deal
MEPC	380	+44	380	255	Persistent takeover speculation
Mercantile House	342	+48	367	218	Quadrax bid speculation
Mountleigh	650	+65	650	224	Excellent interim results
Renters E	438	+53	438	268	Persistent US buying
Smith Brothers	205	+36	210	92	Share stake sale rumours
Tezer Kemstry	115	+24	115	28	Persistent bid speculation

Happier days for high-tech

WHATEVER the main market does, the USM is bound to follow before long. USM investors tend to react to main market trends with a lag and then, as if to make up for their tardiness, usually exaggerate the original movement.

At least, that was what happened in the great bear market in the electronics sector last year. And if the same can be expected on the way back up, some of the USM electronics stocks may have good times ahead.

According to James Dodd, electronics analyst at stock broker Fielding Newson-Smith: "Investors have only just realised what is happening to the majors. Now they've seen the profits to be made there in the next month or so they should start looking for bargains among the minors."

Since the beginning of the year, the PTA electronics index has risen by 16 per cent, about 5 per cent of which has occurred during the past week. Part of the rise has been a simple correction to the earlier decline. However, the new optimism is also due to a break from the bad news that cluttered last year, to the CEC bid for Plessey, and to the \$3bn Saudi Arabian defence contract signed on Monday.

Meanwhile, on the USM the first signs of recovery are just beginning to show. The surest indication of an improvement in sentiment is that the share prices of the high-tech companies that joined the market

when electronic morale was at its lowest — Radius, Sherbrook Computer, Questel, Cranbrook and Ealing Electro Optics — are all now standing close to their high points and well above their issue prices.

Radius is the most spectacular example. It joined the market in October with the shares at 95p, and was initially ill-received with the price drooping to 75p. However, the market has apparently now decided that the issue multiple of 13 for a company whose profits have doubled in each of the past four years is too low, and in anticipation of more good results due next week, the shares now stand at 120p.

It seems that investors are beginning to sort out those companies whose shares have suffered for good reason from those which have been caught out in the general slump. Many

shares in such companies as Acorn, Composit and Intec have all risen by 25 per cent, albeit from very depressed levels.

According to Mike Whitaker of Simon and Coates, the problem emerged as little companies which had known only a few years of steady growth were suddenly faced with a sharp drop. They had no defensive management structure, and no fat to protect them. But now many of them have cut costs and demand is improving," he says.

However, Mr Whitaker thinks that over the next few months the best performers will be the companies with nothing from which to recover, but where share prices have fallen so that their p/e multiples are now close to single figures. His favourites are CML Microsystems, Intem, Wayne Kerr, and Polytechnic Electronics.

USM

UNLISTED SECURITIES MARKET

USM companies are not really high-tech at all, and have now been reinstated as steady performers after having been lumped into the risky category by investors last year.

For example, LPA, which makes plugs, sockets and connectors for the industrial market, has seen its shares rise by 100 per cent from last year's low. Bennett and Fountain, an electrical equipment wholesaler, has also seen a great recovery in its share price.

Of the genuine electronics companies, most of the USM trouble-makers were in computers. While many of these have done so badly as to deserve a lasting loss of investment confidence, some are now beginning to mend their fences. Since the return of the year, the

Analysts have been muttering bullishly about Vickers for a year or so, yet the market has remained stubbornly indifferent, possibly because Vickers succeeded in swapping one image problem for another by announcing a takeover of a heavy engineering company and became yet another faceless conglomerate.

On Thursday, Royal Insurance reports its 1985 results—the first of the composites to do so. The market is anticipating the company to show a strong recovery over its recent poor results as the US insurance market comes out of its recent bloodbath, with pre-tax profits of at least £40m against £11m in 1984—a lower estimate than previously anticipated.

Underwriting losses worldwide are expected to be around 1984's level of £347m, with the US recovery of losses (down from £220m to around £180m) offset by worsening results elsewhere, particularly in Australia where there has been adverse weather, keen competition and government intervention. Its UK account, plagued by rising motor claims, is expected to show losses up by a fifth to around £50m.

The office equipment and healthcare divisions performed best and it is in these areas that Vickers' future growth prospects lie. But the City is also looking to the Howson-Algraphy lithographic plates division for growth, partly because of the opportunities forged by Fleet Street's "revolution" and partly because of the potential in the US.

With the disposal of the Australian interests, Vickers' biggest loss-maker has been weeded out. Some rationalisation can be expected in the engineering sector but Sir David Plaistow's days as an axe-wielder are, by and large, over.

Lucy Kellaway

COMPANY NEWS SUMMARY

TAKE-OVER BIDS AND DEALS

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's*	Bidder
Prices in pence unless otherwise indicated.					
Aaronite Group	60/11	61	60	3.15	Moroccan Holdings
AC Cars	125	125	120	1.00	Mr W. West
Acorn Computers	188	187	168	11.21	Plant & Gen Dave
Automotive Prods	199	190	128	111.94	BEA Group
Breakmate	230*	215	200	7.96	Skeletonley
Business Comput	285	26	20	1.64	Electronic Data
Campart Intl	43**	54	45	4.21	Mr A. Nordlin
Cartershouse Pets	117 1/2	99	65	168.28	Petrusina
Coats Patons	254	246	238	70.77	Vantona Vitella
Davenport (Brw)	472	440	368	38.30	Greenall Whitley
Davenport (Brw)	450	440	375	36.15	Wynham & Day
Dew (George)	96	85	82	7.65	Bremer
Distillers	618	635	627	2,321bn	Guinness
Distillers	638	635	627	2,321bn	Guinness
First Castle Elec	190	190	111	54.51	Morgan Crucible
Gaunt (Rowland)	105	90	92	3.30	Spong Holdings
Gomme Holdings	87*	282	58	11.26	Milmine
Granada	297	292	237	705.65	Rank Organisation
Group Lotus	1294*	127	130	22.74	GMLAG
Hastlence Exts	600*	618	505	176.53	Kodanaka Prop
Imperial Group	3145	314	232	2,374bn	Hanson Trust
Imperial Group	317	314	217	2,397bn	United Biscuits
Imperial Group	1063	139	116	25.54	Dovenish
Imperial Group	276*	230	208	38.22	Jadelle
Imperial Group	230	208	198.65	Williams Edges	
Imperial Group	183	126	96	47.94	McKechnie Bros
Imperial Group	284*	174	27	0.79	Messrs N Wray & C. Matcock
Sonesson	190**	216	213	3,220bn	Fermonts
Spencer Clark	140*	155	131	7.03	Williams Edges
Stancel	10*	32	38	0.54	Brand Promotions
Thomson T-Line*	50*	146	48	0.50	Diamond
Utd Com & Tech	110*	112	70	2.75	Harvard Secs
Utd Com & Tech	116**	112	105	2.89	Park Place
Wadkin	320	212	170	16.56	Robson (The)
Wagon Finance*	145	124	124	33.00	MAI
Watson (R. Riva)	275	285	248	8.25	Coopersvold
Williams (J.)	255	35	20	1.44	Wynham Group

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Unconditional. ** Based on February 21 1986. †† At suspension. ‡‡ Suspended. §§ Shares and cash. ††† Related to NAV to be determined. |||| Loan stock. ||||| Swedish kroner.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)	Earnings* per share (p)	Dividends*
Alexanders Hldgs	Sept	261	(185)L	—
British Petroleum	Dec	1.6	(1.4)	87.4
Bullers	Dec	507	(254)	3.8
Cranbrook Elec	Sept	502	(355)	3.9
Crest Nicholson	Oct	9,200	(5,520)	—
Crown Int Prods	Sept	672	(219)	10.2
Genesco Brookes	Oct	3,760	(2,320)	17.0
NWCM Computers	Dec	1,800	(1,300)	—
Theme Holdings	Oct	323	(205)	—
Trencherwood	Oct	3,020	(2,580)	21.1
Ward Holdings	Oct	4,670	(4,420)	18.8
Waterford Glass	Dec	118,500	(34,600)	—
Yorkshire Bank	Dec	44,700	(34,400)	—

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)	Interim dividends* per share (p)
Dale Electric	Oct	471	(885)
Dalgety	Dec	35,400	(33,200)
DFPE	Dec	137	(33)
Goodhead Print	Nov	524	(402)
Gros Squ Prop	Sept	189L	(34)
Hrvy & Thompson	Dec	295	(194)
Irish Glass	Dec	1486	(205)
Kwahu	Dec	137	(38)
Mason and Co	Nov	2,250	(1,650)
Media Technology	Nov	1,020	(80)
Memcom Intl	Oct	1,480L	(508)
Mountleigh Group	Oct	2,320	(1,110)
Peachey Prop	Dec	5,840	(4,840)
Photo-Me Intl	Oct	4,160	(3,200)
Profrimeter	Nov	379	(208)
Quest Automation	Aug	425L	(178)L
Raine Ind	Dec	130	(30)
Ricardo Cons Eng	Dec	1,260	(801)
Sigmax Intl	Dec	333	(42)
Spar Computer	Dec	30	(383)L
Triton Europe	Nov	11,580	(2,120)
Walker, Alfred	Oct	114L	(1)

(Figures in parentheses are for the corresponding period.)
* Dividends are shown net pence per share, except where otherwise indicated. † Irish pounds. ‡ Net profit figures in billions. L Loss.

SCRIP ISSUE

Alexanders Holdings—1 for 10.

RIGHTS ISSUES

Cullens Holdings—Is raising £5.1m via a rights issue on a 1 for 4 basis at 200p.
NWCM Computers—£2.8m rights issue on basis of 1 for 4 at 220p.
Wates City of London Properties—To raise £33.8m through a 3 for 10 rights issue at 115p.

OFFERS FOR SALE PLACINGS AND INTRODUCTIONS

FPL—Placing of 2.1m shares at 145p.
Samuel Properties—Placing £20m 11 per cent Debenture stock 2016 at 97.95p.

A FINANCIAL TIMES SURVEY

Edinburgh as a Financial Centre

FRIDAY APRIL 4 1986

For an Editorial Synopsis and Advertising details, please contact:

KENNETH SWAN on 031-226 4139 or write to him at:

FINANCIAL TIMES 37 George Street, Edinburgh

Telex: 72484

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

A dull outlook for ICI

LAST YEAR, ICI became the first non-oil group to make more than £1bn profit; this year's preliminary results, due on Thursday, are expected to show little more than £900m. Unrelieved dullness is all that can be expected from ICI during the fourth quarter, with profits only marginally ahead of the disappointing £152m made in the third quarter.

In the autumn, some hoped that the terrible third quarter for fertiliser would be unwound in the fourth. But bad weather and industry price-cutting meant this has not happened. Pharmaceuticals, which had a good summer thanks to stock building in the US, may have slipped back towards the end of the year; and after translation into sterling at a

lower exchange rate may end up showing little, if any, improvement.

To some extent, the weakening in the dollar will have been offset by a strong rise in the Deutsche mark against sterling. However, the effect of this, which is currently underpinning the share price, will not start to have a marked impact on profits until the current year.

The third trouble spot will be oil and gas, where the fall in crude oil prices may have resulted in a stock write-down of up to £5m.

Watching British banks these days is like following the plots and sub-plots of a gaucho soap opera. Will Mexico leap into bed with the International Monetary Fund? How much is Venezuela hiding? Is the worst over for Argentina and Brazil?

Lloyds is one of the banks most vulnerable to the vagaries of the Central and Southern American economies and its share price has been depressed accordingly. Nonetheless, the market expects profits of around £570m when its results are unveiled on Friday.

As usual, Lloyds fared best

in its domestic market. Its High Street account base grew rapidly in the first half, respectively in the second. Through expansion into peripheral fields such as estate agency, it has slipped neatly into the higher margin areas of personal finance.

On the corporate side, Lloyds performed well. The gilt edged securities division and merchant bank are already well

placed to meet the demands of deregulation. But overseas interests still pose problems. It is impossible to gauge how badly Lloyds could be hit by continued uncertainty in Latin America, while the Middle East and Far East are also problematic.

At least, with the disposal of its Californian bank Lloyds signalled to the City that it is determined to channel its resources along a few, clearly defined avenues.

Results due next week

Only the smaller two of Berisford's main activities are expected to maintain last year's performance, with general merchandising showing a small, uninspiring rise, and financial services profits enhanced by its new start-up ventures.

Of Berisford's main operators, British Sugar has already reported an 82 per cent fall in profits, while commodity profits may be down from about £42m last year to £20m. The low level of activity in soft commodity markets has not picked up, and in certain markets, notably in tea, Berisford may have fallen on particularly hard times.

S. and W. Berisford is a yield

INTEREST RATES: WHAT YOU GET FOR YOUR MONEY

	Quoted rate %	Compounded return for taxpayers at		Frequency of payment	Amount invested (£)	Withdrawals (days)
		30%	45%			
CLEARING BANK*						
Deposit account	6.50	6.81	5.19	3.77	half yearly	1
High interest cheque	9.00	9.2	7.31	5.32	quarterly	1
3-month term	8.56	8.84	6.94	5.03	quarterly	1
BUILDING SOCIETY†						
Ordinary share	7.00	7.12	5.60	4.07	half yearly	1
High interest access	8.75	8.75	6.88	5.00	yearly	1
90 day	9.50	9.73	7.64	5.56	half yearly	1
Premium	9.40	9.74	7.65	5.56	quarterly	1
NATIONAL SAVINGS						
Investment account	11.50	8.05	6.33	4.60	yearly	2
Income bonds	12.00	8.88	6.97	5.07	monthly	2
31st issue	7.85	7.85	7.85	7.85	not applicable	

MARKETS

Paradise for the money managers

IT HAS been another week in Paradise for Wall Street's money managers as they have watched world oil prices and US interest rates drop to levels which would have been unthinkable a few months ago.

On Thursday, the price of West Texas Intermediate (WTI), the most closely watched US oil price, briefly touched a low of \$13.85 per barrel on the New York Mercantile Exchange, before recovering to close at \$14.17 per barrel. On the same day the key US Government long bond, Treasury 9½ per cent due 2016, hit a new peak of 104½ and its yield sank to 8.85 per cent—its lowest level in six years.

Three months ago, WTI was being traded at around \$32 per barrel and long term Government bonds were yielding close to 10½ per cent. At the same time the US dollar has been falling steadily against other currencies and at the same time it slipped below the ¥180 level. A year ago it was trading above ¥260 and US manufacturers were arguing increasingly vociferously for the US to put up the protective barriers.

It would be difficult to dream up a more favourable scenario for US share prices. Wall Street is enjoying the blissful prospect of faster economic growth and lower inflation and

Meanwhile, the weight of institutional money continues to be channelled into the "blue chip" stocks which explains why the Dow Jones Industrial Average is up by more than 8 per cent so far this year, whilst the broader-based stock market indicators have risen by around 5 per cent.

Amongst the stocks hitting new highs this week have been American Express (\$63½), CBS (\$126½), Dow Chemical (\$48½), Monsanto (\$57½), Ford Motor (\$71½), Baxter Travenol (\$18), General Electric (\$76½) and Coca-Cola (\$90¼).

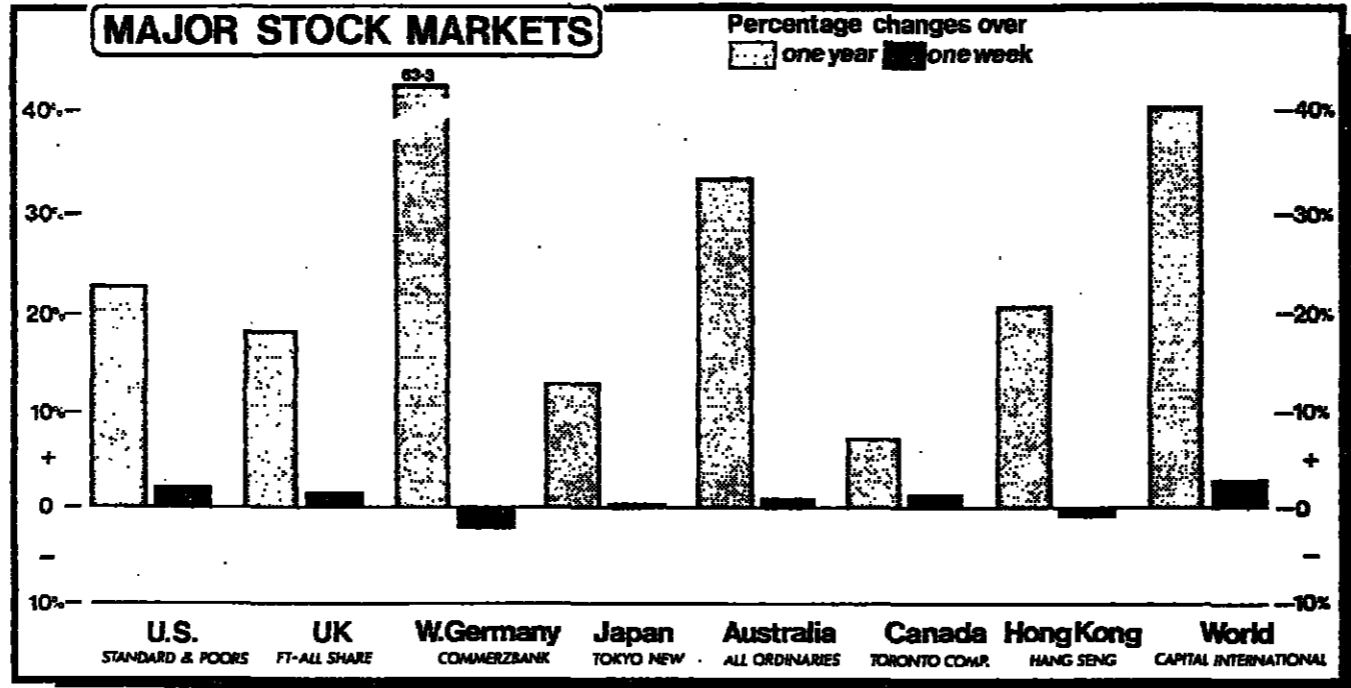
It has been a particularly busy week for Coca-Cola, the world's biggest soft drinks company. On Wednesday it reported a 15.7 per cent rise in 1985 earnings per share to \$0.51 and on Thursday it agreed to buy one of its smaller rivals, Dr Pepper, for \$470m. It also increased its quarterly dividend to 78 cents a share. Coca-Cola's shares jumped by 3½ on the news.

Not surprisingly, US energy stocks have been in the doldrums in recent weeks as analysts try to predict where and when oil prices will stabilise after their recent dramatic fall. One member of the oil industry establishment which did receive some good news this week was Texaco, whose shares have been under a cloud ever since a Texas court ordered the company to pay \$10.53bn in damages to Pennzoil. A US appeal court ruled this week that Texaco does not need to post a \$12bn bond in order to appeal the damages suit. This strengthens the company's bargaining position with Pennzoil. However, at \$29½, Texaco shares are still standing \$10 lower than they were in mid-November when the Texas court handed down its stunning decision.

Pennzoil shares, which at one stage had touched \$91, are still standing \$7 higher than they were on the eve of the court judgment. While the outcome of the case will continue to be the major factor influencing both companies' share price over the near term, the drop in oil prices is an added depressant on Texaco's share price.

MONDAY: closed
TUESDAY: 1678.78 +14.33
WEDNESDAY: 1658.26 -20.52
THURSDAY: 1672.82 -14.56

William Hall



A small problem of digestion

THE BROKER came late to lunch, hoarsely muttering apologies. Business, he groaned, was not so much booming as exploding. The hubbub on the floor of the Frankfurt bourse was such that he had begun to lose his voice.

Back at his bank the staff in the securities department was all but exhausted. Everyone came earlier, left later and postponed planned holidays. Reinforcements were needed urgently but trained personnel was hard to come by. The West German stock market had never known a boom quite like this one.

That scene took place on January 15 as the FAZ (Frankfurter Allgemeine Zeitung) share index soared to a historic high of nearly 717 points. In the first 10 working days of the new year alone stock turnover in Frankfurt totalled close to DM 10bn, more than in the first two months of 1985.

Banks which had advised clients to expect less dramatic growth in share prices in 1986 found their expectations for the whole year fulfilled within the first couple of weeks. "What do we suggest now," asked the perplexed broker, "sell because the market has now reached the peak we forecast?"

As it happens that would have been remarkably well-timed advice. Since mid-January share prices have tumbled, above all because of selling by

foreign investors. Is the boom really going bust—or is the market consolidating for a further advance? A lot speaks for the latter view.

For one thing the market has had to gobble up an unparalleled feast of capital increases in recent months, and it is really no surprise that it needs time to digest it all. There have been the "biggies" like Deutsche Bank and Bayer raising more than DM 1bn apiece

Frankfurt

as well as a host of smaller companies seizing on the stock market boom to raise funds.

More is in the wind, above all the giant flotation of Feldmühle Nobel, the former Flick Group.

On top of that foreign buyers have been shifting their gaze to other stock markets, not least New York. Potentially that could be disastrous for the Germans.

After all it was foreign buying which ushered in the German stock market renaissance several years ago, and it was foreigners who still gave the major impulse throughout most of 1985 when share prices jumped by an average 70 per cent or so. Foreign buyers ploughed some DM 11bn into German shares last year—admittedly far below the DM 31bn they invested in German bonds,

but still well over double the sum they had put into shares in 1984.

Now they have become less keen, above all because of the greatly strengthened D-mark. For one thing they reckon that this heralds a weakening of the export boom, on which so much of the German economic upswing (and the boost in earnings of German companies) has so far been based. For another, the prospect of currency gains from investment in German assets is far less than it was a year ago.

There are two reasons why this (temporary?) dwindling of foreign interest is not having the disastrous impact on the German stock market which might be feared. One is that Germans at long last seem to be discovering the market themselves.

The other is that the plunge in the oil price is bringing a very sharp improvement in the economic prospects of Germany (as well as of other major oil importers).

Taking the latter point first, it is likely that the "reverse oil shock" will not only allow West Germany to achieve a real economic growth rate of at least 4 per cent this year, markedly more than anyone forecast a few months ago. It is also probable that Germany will come close to achieving not just a cut in the inflation rate (already under 2 per cent at an annual rate) but actual price stability. Germans are already gaining

some DM 11bn this year from the first stage of an income tax reform, wage increases are likely to average around 3 per cent or so, and at least 300,000 new jobs will be created. Put all that together with price stability and the extra purchasing power released through the oil price cut and what do you have? For one thing a consumer spending spree; for another a sharp improvement in the prospects of those sectors benefiting especially from lower oil and energy costs. That means a glowing future for shares in, among others, the chemical companies, the utilities and the retail stores.

A lot of the smaller companies, much less well known outside Germany, are seeing a surge in their shares too. The signs are that German investors in this case have caught sight of domestic opportunities which foreigners, often concentrating on the big blue chips, have so far missed.

It is too early to make a final judgement—but it could just be that what we are seeing is the German investor at long last losing his traditional suspicion of shares. Foreigners blazed the way, created a lot of money, maybe what we are in for is not "a year of the German share" but a "German year of the share"—a quite different affair.

Jonathan Carr

RTZ remains on top of the heap

IT HAS often been said that Rio Tinto-Zinc Corporation is a lucky company, and you need to have a little luck to succeed in the mining business. You also have to be efficient, and RTZ's speciality is being able to make good money out of low-grade ores and low metal prices.

This kind of wizardry was demonstrated back in the mid-1960s when RTZ surprised many in the mining world by profitably mining copper ore with a low grade of under 1 per cent. That was the big Palabora open-pit operation in South Africa, and matters were helped by rising metal prices.

The price of copper is probably lower in real terms these days but Palabora is still making profits. In fact, it has increased profits and dividends in each of the past four years while other copper mines have been struggling to survive.

This week, Palabora has reported a 68 per cent increase to R189.3m (£64m) in pre-tax

costs plus increased production at the copper and molybdenum mine in British Columbia and at the Bullmoose coal operation. Favourable exchange rates also come into the picture.

RTZ shares have moved up strongly this week which is pleasing for that furry friend of mine, the mole, who joined me in recommending them at the beginning of this year. Moley is also happy to hear that Australia's Pancontinental Mining has confirmed that it is to expand production at the Paddington gold mine, near Kalgoorlie.

Paddington started production in July last year and is on course for a target output of 60,000 oz in the year to June 30. Meanwhile, it is boosting capacity in order to produce an extra 30,000 oz in 1986-87, two thirds of which will be for Pancontinental's account.

Meanwhile, the company has fulfilled its promise by lifting half-year earnings to A\$13.5m (£6.7m) from only A\$2.1m a year ago. The increase reflects not only the start of operation at Paddington but also the increased holding of 5 per cent in the central Queensland an Gregory coking coal venture. One to watch, is Pancontinental.

Perhaps the unluckiest mine of the week is that of the German group's Impala Platinum Holdings in South Africa. While its rival, Rustenburg Platinum Holdings, has been making the most of the increased demand for platinum, Impala has been in the throes of labour unrest which resulted in all 23,000 employees resigning.

The troubles seem to be over now and the workforce is back to full strength. But, say Impala, it will take until, at least, the end of March before production returns to normal. Last earnings are put at R45 (£15m).

Although profits for the first half of the year to June 30 have risen to R101.8m from R50.2m the company does not expect the full year's result to be much better than for the previous year. So, the interim dividend is unchanged at 35 cents.

Unhinged managed to pull out of the red into making profit again, Australia's copper at coal-producing MIM Holdings to make A\$200m (£99m) right issue which will reduce its company's debt burden.

Kenneth Marsto

Mining

profits for 1985 and has lifted the dividend total to 180 cents from 110 cents. The company has had the benefit to its revenue of a favourable exchange rate, but metal production and sales were lower owing to the closure of ore mills for repairs.

Then, we have had good results from another RTZ open-pit operation, the big Bougainville copper and gold producer in Papua New Guinea. Here again, costs have been pared; and despite low metal prices Bougainville has boosted earnings in the second half of 1985 to bring the year's total to K28.1m (£20.4m) against K11.6m in the previous year.

RTZ's wizardry has even extended to the steel industry metal molybdenum, the price of which has fallen like a stone from the great days of the 1970s when the world's biggest producer, America's Amax, was earning \$1m a day. Amax, as I reported last week, is now struggling to break even after a loss of \$831m in 1985.

But the RTZ group's Lornox Mining in Canada is doing nicely. It has just announced a 1985 net profit of C\$24.1m, or C\$2.82 per share, after a loss of C\$326m in the previous year. The turnaround reflects lower

PENSIONS MANAGEMENT MAGAZINE

Take the law into your own hands

If you need to know about pensions—you need Pensions Management.

Whether you are a pensions adviser, insurance broker, actuary, management consultant, accountant, solicitor, or trustee, Pensions Management will provide you with the information you need.

With so much going on in the pensions market it's not easy to keep abreast of developments.

Now you can keep pace with every pensions development in a new monthly magazine—Pensions Management.

Pensions Management has regular reviews of new ideas and new products, new regulations and new tax rulings. Every month there is a major survey—February's survey covers Additional Voluntary Contributions (AVCs).

We try to tell you about pensions developments while they are still news. The February issue will also contain a summary of all you need to know about the Social Security bill.

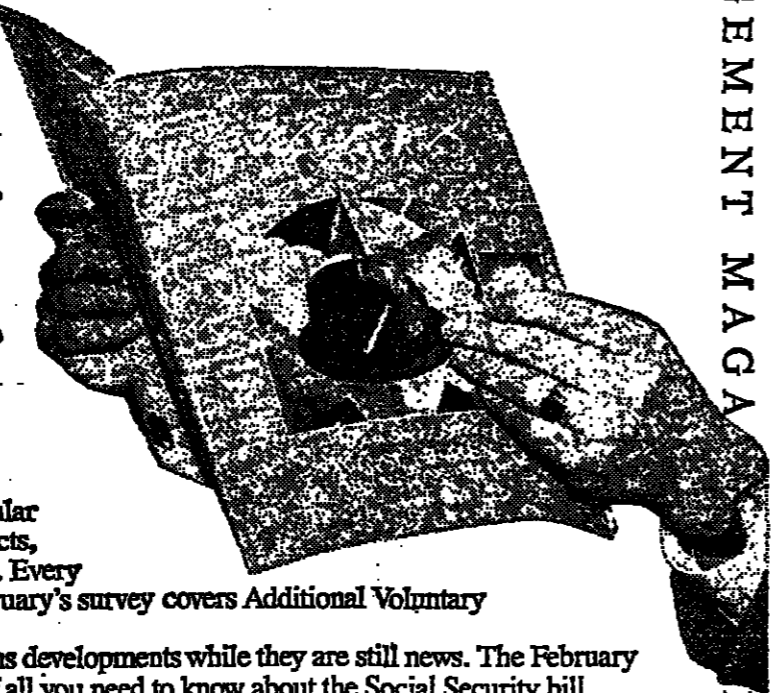
The rewards in the future for those who get their pensions arrangements right could be very great indeed.

Pensions Management is designed to make the financial future clear for everyone with an interest in pensions.

If it's your job to advise on pensions, we'll give you all the facts you need.

Each monthly issue contains comprehensive statistics on the performance of individual pension funds.

Pensions Management is £1.50 a month. Order it from your newsagent—and take the law into your own hands.



FINANCIAL TIMES BUSINESS INFORMATION

Pensions Management

Planning for retirement without going grey.

Practical, luxurious and yours - exclusively from the Financial Times



The City Collection is, quite simply, the most exclusive combination of leather accessories and luggage that money can buy. Meticulously planned and exquisitely designed, each piece is a delight to use and a joy to look at.

For business

For many years, the Financial Times Diary has been the most sought-after of all international business diaries, because it is both functional and aesthetically pleasing. Now Andrew Soos, creator of leather ranges for Givenchy and Saks of Fifth Avenue, has designed a set of accessories in a soft, burgundy leather.

These include such useful pieces as a Passport Holder with a place for your vital travel papers, a Credit-Card Holder with a back-pocket for flimsy slips, a lockable, silk-lined Conference Folder, and the ultimate Briefcase with a solid brass O.C.S. combination lock as fitted to diplomatic bags.

Most impressive of all, perhaps, is the clever Attaché Case with built-in wallet-sized pocket computer. (It has a 2-line digital display and a 4.4K Random Access Memory that enables you to handle business calculations and technical applications.)

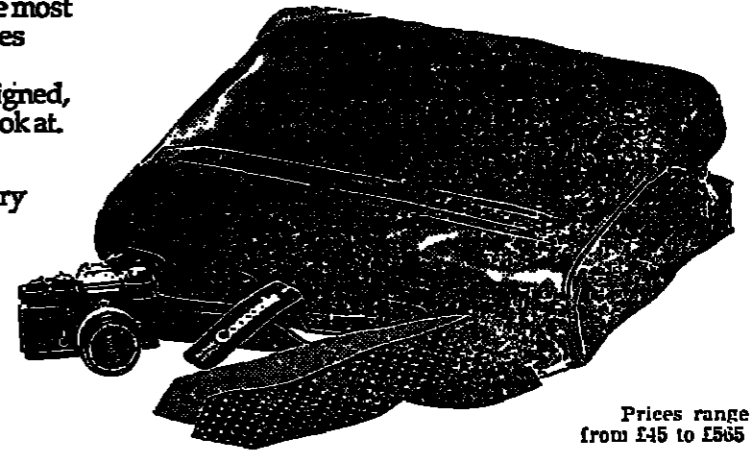
For travel

Also hand-crafted, the City Collection of business luggage is in a specially selected black nappa lambskin which is wonderfully light and soft to the touch, yet durable and capable of withstanding the roughest baggage handling. You'll be astonished at how a skin that feels as soft as cashmere, can literally keep its looks for a lifetime.

Designed for us by Karl Seeger this magnificent set includes a Suitcase in a choice of two sizes, a Travel Bag with countless useful pockets and lockable zippers, and a Flight Case that can actually take minutes off your journey—everything, including the matching Attaché Case, fits into the lid, so you can walk onto any airline with just one piece of hand-luggage.

The City Collection brochure—ring Ceilia Parkes on 01-623 1211 ext 249 now

We only have space here to give you a brief introduction to the City Collection. So whether you wish to buy for yourself, or to consider certain items as special gifts for key customers or colleagues, why not ring, or send for our colour brochure, now.



Prices range from £45 to £585

The Financial Times City Collection

The City Collection Department, FT, Business Information Ltd, Minister House, Arthur Street, London EC4R 9AX, Tel: 01-623 1211

(Please tick) FT 7

Yes, please send me the colour City Collection brochure so that I can see the full range of practical yet luxurious leather goods.

Yes, I am interested in using items from the City Collection as business gifts. Please send me details of the bulk discounts.

Name _____

Company (if applicable) _____

Address _____

Post Code _____

Telephone Number _____

Post to: City Collection Department, FT, Business Information Ltd, Freeport London EC4R 4DT. (NO STAMP REQUIRED IN U.K.)

INCOME TAX RELIEF FOR 1985/86

Guinness Mahon & Co. Limited

is sponsoring
Offers for Subscription under the
Business Expansion Scheme by
LOCKTON INNS plc
up to £7,500,000

The acquisition and management of a chain of public houses,
freehold and long leasehold, principally "free houses"

LOCKTON RETAIL STORES plc

Retail trading under franchise agreements from premises in
good locations owned by the company, principally freehold

- * Experienced management
- * Asset backed
- * Conservatively financed

The Directors of each company will pursue a conservative financing
policy designed to provide a high degree of stability to each company.
Individual subscribers should, depending on their circumstances, be
able to obtain income tax relief at their highest rates of tax in respect of the
year ending 5th April, 1986.

Closing date 15th March, 1986, unless extended.

Tel: 01-623 9333 (24 hour service) for copies of either or both of the
prospectuses or complete the coupon below.

This advertisement does not constitute an invitation to subscribe for shares.

To: Guinness Mahon & Co Limited
32 St Mary at Hill, LONDON EC3P 3AJ.

Please send me a copy of the prospectus for — Lockton Inns plc
— Lockton Retail Stores plc

Name _____

Address _____

Up to 3.5% commission will be paid to professional intermediaries through whom successful
applications are submitted.



**Windsor's
plan for
high returns**

A NEWLY formed unit trust group, Windsor Trust Managers, has launched its first three UK-based unit trusts. One is a first in the unit trust world: Windsor Convertible and Equity Trust. With an estimated gross yield of 8 per cent, this trust is designed to provide a high return without sacrificing prospects of capital growth.

Of the other two funds, Windsor Growth Trust will have a diversified portfolio invested in a selection of turnarounds and high quality growth stocks with a proven track record, whilst Windsor Income Trust will provide a

balance between immediate and future income through investment in UK companies which have demonstrated progressive dividend policies.

Minimum investment in any of the unit trusts will be £500. There will also be a £50 a month regular savings plan and share exchange scheme. Windsor Trust's management team plans to concentrate on the UK stockmarket which they expect to be a "good place for investors for some time to come."

HOLIDAY discounts are being offered to members of the Alliance and Leicester Building Society which hold the society's discount card. The offers, which run until mid-summer, include a discount of up to £20 on Ladbrooke Holidays and £5 free spending money for every £100 spent on a Page & Moy holiday. Discounts are also available on 14 historic railways in Britain.

Anyone confused by the leap-frogging in building society investment rates will welcome the new service being provided by The Building Society Shop.

Based in Nottingham it provides free advice on selecting the best arrangement for the particular needs of an individual with £2,500 or more to invest, taking into account the

interest rates available, withdrawal terms, and whether the investor wants income or capital growth.

All the building societies monitored by The Building Society Shop are members of the Building Societies Association, and are contributing members of the Investors Protection Scheme. The shop is able to offer a free service by earning commission from those building societies for funds which it routes to them.

HARRODS is offering a new mortgage service. Its Estate Office subsidiary has appointed the Barry Winsor consultancy to act for them. The service which will be available to clients country-wide and seven days a week, provides corporate and personal mortgages, as well as school fees planning.

HOLDERS of Trustcard, the Visa card issued by the TSB group, can now use their card to shop by telephone for cut price goods. By linking up with Comp-U-Card, the largest nationwide telephone shopping service, Trustcard becomes the first credit card company to offer such a facility.

Any Trustcard holder using the new Shopping Hotline will be able to do so free

during the first three-month trial period. They will also receive a £10 credit voucher usable against their first telephone purchase. Afterwards the membership subscription will be £20 a year.

Subscribers will be able to call the Comp-U-Card information centre for specific details and prices of 20,000 top brand name household and leisure goods available at discounts guaranteed by Comp-U-Card.

WHAT'S GOOD for your pet should be good for you. That appears to be the principle behind the move by Pet Plan, insurers of more than 100,000 pets, to offer financial services for humans. Pet Plan has linked up with Ambassador Life, a subsidiary of Abbey Life, to launch a combined life assurance and investment package. It will be marketed by direct mail to Pet Plan's clients, who will be offered discounts provided through a bonus card. Patsy Boom, managing director of Pet plan, claimed: "We intend to look after our clients and their families just as well as we've looked after their pets."

Pension planners everywhere

DELOITTE HASKINS and Sells, the accountancy firm, has added a new team of pensions and insurance experts to the Personal Financial Planning Division which it set up last year.

Four professional advisers on life assurance and pensions will be stationed at the firm's London headquarters, and another six will be based in major regional centres.

Private individuals can ask for help from the firm's personal financial planners by approaching any of Deloitte's 34 offices. Since last year staff at the London headquarters have already assisted some 4,000 private clients with the kind of advice on problems like tax and retirement planning which the firm traditionally offered to the chief executives of companies.

Last month the firm issued a booklet, Ways to Reduce your Personal Tax Bill, setting out a series of 4,000 private payers who want to ensure that they are making the best use of tax allowances and reliefs.

The booklet is available for £9.95 from the Publications Department, Deloitte, Haskins and Sells, 128 Queen Victoria Street, London EC4P 4TX.

Beware the Business Expansion hard sell

"Why am I being bombarded by glossy brochures inviting me to subscribe for shares in organisations needing money to buy racehorses, antiques, farms, old books, hotels?" bemoaned a letter to the Financial Times in November. "With the promise that if they can have my money free of interest for five years there might be a dividend at the end. Or, of course, I might lose the lot."

The writer was complaining about Business Expansion Schemes, or rather the stream of scheme proposals and prospectuses that bombard unsuspecting investors.

With just a few weeks to go before the end of the taxation year an unprecedented number of schemes have surfaced asking for capital for airlines, America's Cup entrants, Italian restaurants and old people's homes.

Many schemes are sound small business ventures, devised by companies which are too small or whose ideas are too idiosyncratic to raise capital in the conventional way. Others are, at best, dubious and promise a fast buck for founding directors rather than a fair return for investors. So how do investors sift through the sea of glossy brochures and pick out the bona fides from the bandits?

Introducing favourable share

option schemes for founding directors is a popular play. In one recent scheme.

Another ploy is for directors to cream off a high proportion of profits as the business matures. One scheme gave founding directors the right to claim 50 per cent of profits after five years. Such ruses must be declared within the prospectus, but are frequently "buried" in the smallest of small print.

Directors' remuneration should be scrutinised too. Dazzling high salaries are commonplace, but the more ingenious schemes favour the combination of relatively modest "nominal" salaries, to throw investors off the scent, and generous commissions on profit.

The cost of the issue can also pose problems. The sponsors frequently command fat fees or hefty commissions, sometimes both.

Incidental costs can mount up too. Given that there are so many schemes and so many glossy brochures around, companies invest in glossier and glossier brochures so that their scheme stands out from the deluge on the doormat.

Profit projections should be treated with deepest scepticism. As new businesses, schemes have to rely on financial forecasts to sell themselves to investors. But many schemes are

Panglossian in their profit projections. Similarly many scheme proposals are given to sweeping socio-economic statements which may be illuminating about the market's potential but not about the prospects of the company itself.

Investors should also satisfy themselves that the company is raising enough launch capital. Any young, growing venture will need a fresh injection of finance at some stage in its development, but the structure of the Business Expansion Scheme means that for scheme start-up companies, raising additional capital can be difficult.

Staging a second Business Expansion Scheme is not only expensive, but very elaborate. And because the terms and conditions of the scheme restrict a company's ability to float or be taken over, the conventional sources of venture capital are often wary of investing in them.

Thus it is crucial that a company raises enough capital through the initial scheme and does not need to engage in costly, and difficult, refinancing.

For all the pitfalls, Business Expansion Schemes are, on the whole successful. As editor of the BES magazine, John Harrison spends much of his time sifting through county court judgments to trace failures. According to his calculations

just 4.45 per cent of the schemes funded in the 1984-85 taxation year failed, and these represent 4.1 per cent of investment. Thus the failure rate for Business Expansion Schemes is much the same as that for ordinary businesses.

And because the tax benefits attached to the scheme are so attractive, investors tend to use its indulgently by investing in areas that appeal to them. Fine art houses, antiquarian book sellers, America's Cup entrants and racehorses tend to fare well, not because they represent sounder investments, but because the investors are prepared to be more self-indulgent.

The golden rule for Business

Expansion Scheme investment is exactly the same for any other area, read the prospectus.

"All the dodges, the directors' share options, the restrictions on profit, are in there," said John Harrison, a partner in accountants Peat Marwick Mitchell who specialises in expansion schemes. "But so many investors only bother to read the prospectus when things go wrong."

"I suspect that with the current crop of schemes there will be lots of people who unearth their prospectuses in five years time to find out where their money has gone."

Alice Rawsthorn

HONEYGLEN ASSURED CONSTRUCTION PLC
(Company No. 1888381)

Offer for Subscription — Sponsored by
Chancery Securities PLC
(Licensed Dealers in Securities)

of up to 2,500,000 Ordinary Shares of 75p each at £1 per share

London residential developers will be the main clients of this building company which offers deferred payment terms. This will assist developer clients' cashflow and payment will not be due until after the property is complete. Such debts will be secured, normally by a mortgage over land and buildings. John D. Wood are Consultant Surveyors and Valuers.

Over 20% p.a. pre-tax return is anticipated on shareholders' funds used to finance deferred payment building contracts.

Tax Relief — The Company began trading in July 1985. Investors should receive their tax relief certificates without delay.

The Management Team have considerable experience in property development and building. They only share in net asset growth & rise the first 61% increase. This is more beneficial for shareholders than in several other BES offers.

65% loan facility — appropriate subscribers need send a cheque for only 35% of their investment (plus documentation fee).

INITIAL ALLOTMENTS BY TUESDAY 18th MARCH 1986 — BUDGET DAY.

Subscribers can decide in which tax year they wish to invest as the final closing date is 30th April 1986.

This advertisement does not constitute an invitation to subscribe for shares.

To: Chancery Securities PLC, 12 Northington Street, London WC1N 2NW. Telephone: 01-242 2563
Please send me a copy of the Prospectus of Honeyglen Assured Construction PLC

Name _____
Address _____

F.T. 22-2-86

Gold threads among the grey

THE ELDERLY are big business in the US, where a stream of companies have sprung up to meet the needs of the rapidly growing and increasingly affluent ageing population. The Americans call this "grey-power."

In this country companies have been slower to take advantage of the "grey" market, although, as in the US, the elderly population is increasing in numbers and in economic power. A recent crop of Business Expansion Schemes have surfaced to raise capital for "grey-power" projects.

Care Homes, for example, plans to raise between £1.5m and £10m by issuing up to 10 million shares for £1. The issue has been underwritten for £1.5m by the sponsors, Anglo Dutch. The company will own and operate a group of homes for the elderly and has already entered into a conditional agreement for the purchase of a home in Sunningdale, Berkshire. Management will be undertaken by Lifecare Homes which already manages seven nursing homes.

into the black in its second financial year with profits of £35,200 after losses of £92,800 in the first.

Meanwhile Bright Walton Homes aims to raise up to £5m through the issue of five million shares at £1 each in an issue sponsored by the merchant bank, Hill Samuel.

Bright Walton plans to operate residential homes for the elderly in the South and South East of England. Having established an initial group of up to 10 homes it plans to diversify into nursing homes.

Like Care Homes, Bright Walton will simply own the homes and has entered into an agreement with Health Care Services, the USM quoted hospital and home management concern, to select suitable sites and to assume responsibility for marketing and management.

Two established companies in the field are also using the Business Expansion Scheme to generate capital. Guardian Care, which was founded in 1979 and already operates two nursing homes in Norfolk and Lincolnshire, plans to raise between £750,000 and

£2,025m in an issue sponsored by Douglas J. Townley.

Care will add to the facilities of its established homes and develop a third. In the longer term the company plans to acquire four greenfield sites and to develop homes to accommodate 220 additional residents.

Pax Hill aims to raise just over £500,000 to extend its established community for care in Hampshire and to open new centres.

The issue will be sponsored, but not underwritten, by Baden-Powell Chilcott, and will release between 355,000 and 445,000 shares at £1.20 each. The company expects to produce pre-tax profits of £80,000 in the current financial year, to September 30, and anticipates £300,000 for the next.

Although the end of the taxation year always sees a stream of Business Expansion Schemes surging on to the market, this year has seen an unprecedented number of schemes.

Heavily asset-backed schemes, and homes for the elderly fall into this category, tend to find favour with investors, but there are already signs that the sheer volume of schemes available has saturated the marketplace. Investors are scrutinising new schemes with increasing scepticism.

A.R.

BES 1985/6 TAX RELIEF ASSET BACKED INVESTMENT

SAINT HOTELS PLC

Offer for subscription of up to 5,000,000 Ordinary Shares of £1 each at par.

Possibly the last BES opportunity to invest in a freehold London hotel with a prime location in South Kensington.

- Capital gain in excess of £500,000 inherent in initial development.
- Highly experienced Board. Managing Director personally investing £260,000 at par.
- 60% hotel occupancy from one US Tour Operator who is investing at par.
- Minimum subscription of £15 million underwritten.
- Investors receive a 61% growth in value of their shares before management shares benefit.
- Company intends to build up a group of hotels with a view to USM flotation.

Immediate commencement of trade
BES Certificates available August 1986

To obtain a Prospectus please complete coupon and send to:
Johnson Fry & Co. Ltd., Pinches House, 36 Jamaica Street, London SW1Y 6DT
or phone **01-434 1416 01-499 5066**

Name _____
Address _____

Sponsored by
Johnson Fry & Co. Limited

Licensed Dealer in Securities — Member of NASDMM.
This advertisement is not an invitation to purchase shares.

FIRES

In the two years since launch, the FS Balanced Growth Fund has beaten all other unit trusts. Money management statistics show that £1,000 invested on 1st February, 1984 had grown to £3,073 by 1st February, 1986. (Offer to bid with net income reinvested.)

To find out more about FS unit trusts, write to: FS Investment Managers Limited, Freepost, Department FT1, Glasgow G2 2BR. Or telephone: 041-332 3132.



This advertisement is issued in compliance with the Regulations of The Stock Exchange.

Nationwide Building Society
(Incorporated in England under the Building Societies Act 1874)

Placing of £20,000,000 12% per cent Bonds due 2nd March 1987

Listing for the bonds has been granted by the Council of The Stock Exchange. Listing Particulars in relation to The Nationwide Building Society are available in the Extel Statistical Services. Copies may be collected from Companies Announcements Office, P.O. Box No. 119, The Stock Exchange, London EC2P 2BT until 24th February 1986 and until 7th March 1986 from:—

Fulton Prebon
Sterling Ltd.,
34-40 Ludgate Hill,
London EC4M 7JT

Laurie, Milbank & Co.,
Portland House,
72/73 Basinghall Street,
London EC2V 5DP

Rowe & Pitman,
1 Finsbury Avenue,
London EC2M 2PA

22nd February 1986.

FINANCE & THE FAMILY

Domicile is the key

FOREIGN NATIONALS taking up prolonged, but still temporary, residence in the UK—perhaps as employees of a multinational corporation—enjoy substantial tax benefits not available to most people. What is often not realised is that some long term expatriates returning to Britain at the end of their employment overseas are entitled to the same treatment. But mere long residence overseas is not sufficient to qualify. Domicile is the key.



This is a somewhat artificial legal concept, distinct from both nationality and residence. Every child acquires at birth, usually from its father, a domicile of origin that will last for the whole of its lifetime. Should the father change his domicile while the child is young, its status will change, too.

Naturally, any independent person can bring about a change in domicile by moving to another country with the intention of making his permanent home there. That then becomes his domicile of choice; the domicile of origin is suspended in the meantime.

Since the Domicile and Matrimonial Proceedings Act came into force on January 1 1974, the domiciles of married women are determined—exactly the same way as for men. Before that, they took the status of their husband.

Most British residents pay tax on their worldwide incomes. But those not domiciled in the UK need do so on their overseas income only to the extent that it is remitted to or received in Britain. Consequently, their tax liability can

be controlled by the simple expedient of regulating the amount of income sent to Britain.

Those people who continue to spend time abroad will, in any event, spend some of their income overseas, too. But should it be necessary for all of the income to be available in Britain, tax can be saved by carefully segregating the foreign income overseas and remitting to the UK a like sum of pure capital instead.

Somewhat similarly, those not domiciled in the UK will not be subject to tax on overseas capital gains unless they are remitted to Britain. But there is a cost for this treatment, since the law allows no relief for capital losses—a fact that sometimes can give rise to considerable difficulty.

Thus, if two overseas assets are sold simultaneously, one realising a gain and the other an identical loss, remittance of the total proceeds to the UK will result in the gain being taxed. Further, in the case of any sale, the Inland Revenue will not accept that the gain element can be separated from the total disposal proceeds, only the original capital being

then remitted to the UK. The non-domiciled individual is in an even more envious position in relation to capital transfer tax, since his overseas assets are left out of account altogether. But the legislation does deny this advantage to long-term residents of Britain. Anyone who has been resident for 17 years out of the previous 20 will be deemed—for the purposes of CTT only—to be domiciled in Britain even if, under the general law, he is not.

The taxation benefits of not being domiciled in the UK can be very valuable indeed. Unfortunately, they may be available only for a limited period since the presumption that a person should be treated as a UK domiciliary increases in strength with the length of time that he lives here. Eventually, the point will be reached where such a conclusion can be avoided only by a permanent departure.

Consequently, many people who are not domiciled in Britain at the time they arrive, will eventually have to accept that status, together with the heavy tax burden that accompanies it. But if, before such a change comes about, a settlement is created outside the UK, foreign assets conveyed to it will retain the capital transfer tax exemption. There might be capital gains tax and exchange control (should it be re-introduced) advantages, too.

But forming and running such settlements is expensive. No one with less than £100,000 to allocate in this way need apply.

Donald Elkin

National Savings

How much interest in a 32nd issue?

WHAT has happened to the 32nd issue of fixed-interest National Savings certificates? Investors are probably wondering why there are no signs yet of a successor to the 31st issue, which appeared in September.

Judging by the savings bank's past record, a new certificate should be just around the corner but it might not be wise to hold on to spare cash in the hope that the department is about to issue a new certificate offering a more attractive return than the 31st issue. This yields 7.85 per cent per annum, tax-free, if held for five years.

Each year, the Treasury sets a target figure for the contribution National Savings should make towards meeting the Government's borrowing needs. For the first time since 1973, this year it is expected to fall far short of target, which for 1985-86 was set at £2bn. Figures released earlier this week showed that in the 10 months to January 30, National Savings contributed only just over £2bn.

The fixed interest certificates, traditionally National Savings' best-selling product, have been a little unpopular with investors: the 30th and 31st issue have so far in this financial year made a net contribution to Government funding of only £773.1m, compared with £1.72bn in the first 10 months of 1984-1985.

The decline in sales speeded up in the autumn, when the 30th issue, which yields 8.85 per cent per annum if held for five years, was withdrawn and the 31st issue went on to the market at a lower rate of interest.

In past years, this kind of sales performance might well have prompted National Savings to revise its interest rates, or devise new products more attractive to the public.

But for at least two reasons officials can probably wait some time longer before announcing the 32nd issue. First, income bonds and investment account deposits have been producing more money for the Government this year. In the 10 months up to January 30 1986, investment accounts made a net contribution to the Exchequer of £482m—compared with £290m in the same period of 1984-85.

Secondly, the Government is not finding it hard to raise money. Tax revenues have been rising, with a notable increase in the yield from corporation tax owing to improvements in company profits. Figures released by the Treasury this week showed that in the first ten months of the year the public sector borrowing requirement totalled only £3.2bn—a much better result than many City analysts predicted. The Government, it seems, does not need your savings.

Nick Bunker

Phillips & Drew "Share Service" makes buying and selling shares this easy.

If you prefer to manage your own stock market investments, you need a quick, and simple way to buy and sell shares or deal in Unit Trusts.

And that's precisely what "Share Service," from Phillips & Drew, the stockbrokers, offers you. 24 hours a day. Just by picking up your telephone.

You can have exclusive access to "Share Service" by opening a



High Interest Cheque Account with Phillips & Drew Trust Limited who will use their considerable money market expertise to ensure that your uninvested funds earn high rates of interest at all times.

All that and a Cheque Book too! Lots of people offer high interest.

Only Phillips & Drew offer "Share Service." It's a service you'll appreciate.

For further details write to: Phillips & Drew Trust Ltd., 120 Moorgate, London EC2M 6XP or telephone (01) 628 9771. Please send me without obligation further details of "Share Service," and Phillips & Drew Trust Limited's High Interest Cheque Account. (Minimum initial deposit £2,500).

Name _____
Address _____
Postcode _____

Phillips & Drew

MEMBERS OF THE STOCK EXCHANGE

SHARE SERVICE SHARE SERVICE SHARE SERVICE

DIY pension move by Henderson

THE HENDERSON Group has become a major force both for company and individual pension investment and management, with over £2bn of funds under management.

Now it is moving into the small, self-administered pension scheme sector, offering investment expertise.

The DIY executive pension arrangements enable controlling directors to use their pension fund to provide finance on a loan-back basis, and finance for

company assets, such as new buildings or plant.

However, only part of the assets can be used in this way. The rest has to be invested. Surveys made by pension consultants in this field show that several such schemes have rather indifferent investment returns. The executives concerned seem wary of equity investment; they put their money into deposit-type accounts. Henderson is now offering

professional managers for this part of the funds with a range of seven exempt unit trusts and 29 authorised trusts, covering the complete investment spectrum.

Henderson's great strength is overseas investment expertise—an area where the DIY investment enthusiast needs guidance and management. Henderson now provides this, as well as home-based equity investment.

Eric Short

THE AUDLEY 1985/6 BUSINESS EXPANSION SCHEME
sponsored by
AUDLEY SECURITIES LIMITED
Licensed Dealer in Securities in financial association with
PKFINANS INTERNATIONAL (U.K.) LIMITED
Licensed Deposit Taker

- part of the PKFINANS group which has total assets of some £12 billion
- UP TO 60% Tax Relief in 1985/86**
- Creating a strong foundation for success in a spread of investments practically within the leisure and communications industries.
- An active management policy to promote the development of investee companies and the marketability of your shares.
- An open ended scheme with a minimum investment of £500. No other BES scheme currently offers this level of participation.
- A unique BES opportunity to invest in the exciting and progressive leisure and communications sectors.
- An investment opportunity with share certificates in investee companies listed in your own name.
- A reporting policy including semi-annual progress reports and meetings with the managers.

THE FINANCIAL TIMES is proposing to publish a Survey on **DIRECT MARKETING** Wednesday April 9, 1986. For further information, please contact: **NINA JASINSKI** on 01-248 8000 ext. 4611. Details of Financial Times Surveys are subject to change at the discretion of the Editor. **FINANCIAL TIMES** Europe's Business Newspaper

FT-CITY COURSE

London
April 3-May 22, 1986
Some 4,000 managers and trainees from over 800 organisations representing all sectors of finance and industry have attended this Course arranged jointly by the Financial Times and the City University Business School. Designed for employees in companies with interests in the City and those who require a broader understanding of its operations, the FT-City Course is regularly revised and up-dated to reflect the changes that are taking place in one of the world's major financial and trading centres.
The format comprises eight afternoon lecture programmes addressed by distinguished City figures—each an expert in his field.
For further details contact: Financial Times Conference Organisation, Minster House, Arthur Street, London EC4R 9AX. Tel: 01-621 1355. Telex: 27347 FTCONF G

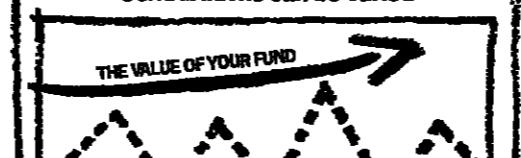
Ignoring this advertisement could cut your pension in half.

When it comes to their pension, many otherwise shrewd people make decisions which defy common sense.

Not that it's easy to decide how to get the best results from the pension you may be planning to arrange.

For a start you have to identify the company with policies flexible enough to meet your needs.

MAXIMUM FLEXIBILITY
Contributions can be varied



With The Equitable your fund keeps on growing while each year you pay what you can afford.

What happens if you retire early?

With The Equitable you get the full value of your fund to date. With some other companies you suffer a penalty.

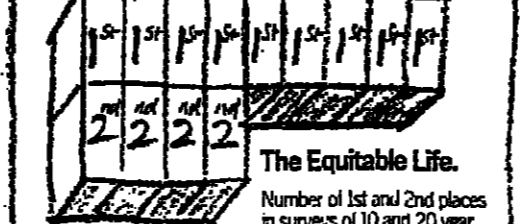
And you must be sure there is a broad range of investment options.

- WIDE CHOICE**
- Managed Fund
 - Property Fund
 - Money Fund
 - Special Situations Fund
 - High Income Fund
 - Equitable Pelfican Fund
 - North American Fund
 - Far Eastern Fund
 - Govt & Fixed Interest Fund
 - Fund of Investment Trusts
 - With profits policies

Next, you must satisfy yourself you won't be pouring money, year after year, into a company which will pay out a fraction of what could have been achieved elsewhere.

Of course the past cannot guarantee the future, but you must be certain the company's policies have a record of delivering outstanding performance.

UNRIVALLED TRACK RECORD



The Equitable Life. Number of 1st and 2nd places in surveys of 10 and 20 year with profits policies for the self-employed as published by Planned Savings magazine 1977/1985 inclusive.

Our nearest rival.

TOP PAYOUT

Personal pension fund from 20 year with profits policy; annual premium of £500, as published by Planned Savings November 1985. Figures refer to self-employed man aged 65 retiring 1st September, 1985. Source: Planned Savings November 1985

You may want to bear in mind that The Equitable Life is unusual in not paying commission to brokers or other middlemen.

Which is why these people may be reluctant to recommend The Equitable. So you'd be wise to make sure you get some figures from us.

NO MIDDLEMEN

The Equitable

As little as 50% is invested in first year.

What's more, unlike most companies, we invest every penny of your unit-linked contributions. We have no policy charges and we don't use capital or initial units with high annual fund charges.

NO POLICY CHARGES

With The Equitable, 100% is invested right away. We do not use capital units and there are Bonus Units for regular savers. No other company offers this combination of benefits.

Almost every other company's charges under regular contribution unit-linked policies effectively cut your investment by as much as 50% in the first year, or even the first two years. They may do that through low allocations, or through capital or initial units—units with especially heavy charges year on year.

In all respects, you'll find that The Equitable's efforts on behalf of policy holders consistently give unrivalled results. One reason is that, unlike most of our competitors, there are no shareholders to nibble away at the profits.

And, as the oldest mutual life office in the world, which first put into practice the sound actuarial principles all other life offices have copied, we have a reputation for innovation and fairness to live up to.

THE WORLD'S FIRST

FOUNDED 1762

The result is that The Equitable now has funds under management totalling over £2,000 million.

Our standing with those professionally concerned with pensions is demonstrated by our record of success with Additional Voluntary Contribution (AVC) schemes which companies set up for their staff.

No. 1 IN A.V.C. PREMIUM INCOME

The Equitable Life £28.8m

We run more Additional Voluntary Contribution Schemes than any other life company. And these schemes bring us more than twice the premium income of our nearest competitor. Source: Persons magazine November 1985

We admit that deciding which pensions company to go to is difficult.

But remember that your choice can mean the difference between tightening your belt when you retire, or continuing to enjoy a high standard of living. Examine the evidence of this advertisement carefully.

We're certain you'll find there is no company that can offer you as much as The Equitable Life.

So, for the best in pensions, write to The Equitable Life, FREEPOST, 4 Coleman Street, London EC2B 2JT or call us direct on 01-606 6611.



The Equitable Life
You gain because we're different.

INCOME TAX RELIEF 1985/86

GREEN PARK
Green Park Health Care Plc.

Green Park Health Care Plc will operate nursing homes, residential homes and day care facilities, under a concept of co-ordinated care for the elderly.

★ Two important properties being acquired.

★ Offer share price 100 per cent backed by net tangible assets.

★ Investment offer carries full BES tax relief for 1985/86.

★ Experienced management team.

Offer for Subscription
Under the terms of the Business Expansion Scheme
SPONSORED BY
POINTON YORK LTD
(a member of NASDIM)
OF
1,700,000 Ordinary Shares of £1 each at £1.15 per share payable in full on application.
The minimum subscription has been exceeded. The Offer has been extended and will close when fully subscribed or at noon on March 17, 1986, unless extended prior to that date.
Copies of the Prospectus are available from
POINTON YORK LTD
7 Cavendish Square, London, W1M 9HA.
Telephone 01-631 3015
THIS ADVERTISEMENT IS NOT AN INVITATION TO SUBSCRIBE FOR OR TO PURCHASE ANY SECURITIES

"We regard Green Park Health Care as one of the best BES issues of 1985/86" W. Greenwell & Co. Stockbrokers.

INCOME TAX RELIEF FOR 1985/86

Offers for Subscription under the Business Expansion Scheme sponsored by

Baden-Powell, Chilcott & Co

PAX HILL plc

Asset Backed
Care of the elderly and disabled
£750,000 invested by the Directors

Pax Hill plc is already trading successfully in a growing sector of the Health Care Market. This Offer is being made to provide funds for the Group to further its project of providing a Community for Care for the elderly and disabled. The Directors are forecasting profits before taxation of £80,000 for the year ending 30th September, 1986 and projecting £300,000 for the subsequent year.

Winebank plc

Asset backed
Two Masters of Wine on the Board
Minimum Subscription Exceeded

The Board of Directors combines management and financial experience and recognised expertise in the selection, acquisition and sale of classed growth Clarets, Burgundies and Vintage Ports and semi-mature good quality French Wines. The Company whose net assets are substantially represented by fine wines and/or cash is now trading and share certificates are being issued to subscribers.

Full tax relief available on an investment in these companies.

To: Baden-Powell, Chilcott & Co.
805 Salisbury House, 31 Finsbury Circus, London EC2M 5SQ.
Telephones: 01-588 7878 (office house) or 01-638 6339 (24 hours).
Telex 888729 MS CO-G

Please send me a copy of the Prospectus for Pax Hill plc/Winebank plc to:

Name _____

Address _____

Postcode _____

and a further copy to my accountant/solicitor/adviser (details enclosed).

Up to 4% commission will be paid to professional intermediaries on successful applications. This advertisement does not constitute an invitation to subscribe for shares.

FINANCE & THE FAMILY

Mailing lists

The Telecom directory

BRITISH TELECOM (BT) has a problem—or rather its 1.6m shareholders do. BT is expressing concern over complaints from shareholders that they have received unsolicited mail from companies offering financial services.

Those shareholders believe that their names and addresses have been circulating among businesses which know that a BT shareholder is a potential customer for unit trusts, investment magazines, and other investment products.

They are right. On December 13 1985, for instance, the magazine Marketing Week carried a full-page advertisement in which two list broking companies, Computer Letters Ltd and Business Mail Data Service Ltd offered readers the use of a mailing list called the British Investors Share Register.

The advertisement described the register as "the mailing list you've been waiting for! The most sophisticated breakdown of shareholders available." One million four hundred thousand names, the advertisement said, covered the British Telecom Share Register cross-referenced to other current lists: shareholders of Britoil, Cable and Wireless, British Aerospace, Jaguar and Hanson Trust.

Not every shareholder will feel that privacy is being invaded if quantities of undesired advertising material arrive through the letter-box. But, says BT: "We have shareholders who have expressed a wish not to be included on the list. We are looking at ways of satisfying their wishes."

Short of obtaining a change in the law, it is hard to see what British Telecom can do about the distribution of its share register. Under the Companies Act 1985, every private and public company is obliged to keep an up-to-date register of shareholders' names and addresses, made freely available for inspection by the public.



Companies also have a legal duty to provide copies of the list on request, subject to a fee of not more than 10p for every 100 words copied.

A further copy of the register must be lodged at the Department of Trade and Industry's Companies House in London, where the public can examine it for a £1 fee, and obtain photocopies or microfiche copies.

BT's list will not be available at Companies House until later this year, because not all shareholders have yet paid for their shares in full. In the meantime, direct mail companies get the list by writing to BT's company secretary, who passes the requests to Lloyd's Bank, which has the task of printing out and despatching the lists.

In practice, a list of 1.6m names is useless unless put on a computer. This is expensive. One company, Financial Magazines, spent £250,000 on obtaining the BT register, putting it on a computer, and coding it with a breakdown of names according to size of holding, and the town, county, and television company region in which each shareholder lived.

There is an obvious incentive for companies spending this kind of money to sell, or rent, their lists out to other companies seeking precise targets for marketing material. Mr Chris Gilchrist, a director of Financial Magazines, said that his company sent letters to BT shareholders inviting subscriptions to What Investment which he edits. With the letters were enclosed business reply cards on behalf of unit trust companies such as Target, Perpetual, and County Bank Unit Trusts.

His company will also sell the lists outright. "We have been approached by a number of people," he said.

Mr Gilchrist says there are safeguards for people's privacy. "We don't think we are invading privacy any more than anybody else who sends unsolicited mail. But we consider that to be consistent with people's privacy we must remove their names if they complain to us."

Up to February 10, MPS had deleted more than 30,000 names — that is, interestingly, it received 4,807 letters from people who actually wanted to get more direct mail.

But not every company using direct mail is in the MPS scheme. Once a list is in the hands of non-members, its free circulation cannot be stopped.

* Mailing Preference Service, Freepost 22, London W1E 7EZ.
Nick Bunker

BUSINESS EXPANSION SCHEME

This advertisement is not an invitation to subscribe for or purchase shares. Subscription may be made only on the basis of the prospectus containing full details of the offer and of the Company.

Bright Walton Homes plc

(Incorporated under the Companies Act 1985)
Registered in England Number 1976639

Offer for Subscription

under the terms of the Business Expansion Scheme of up to 5,000,000 Ordinary shares of 25p each at £1 per share payable in full on application

sponsored by
Hill Samuel & Co. Limited

The purpose of this issue is to raise funds to enable Bright Walton Homes to commence business as an owner and operator of residential and nursing homes.

Copies of the Prospectus and Application Form can be obtained from any of the Hill Samuel offices below OR by sending in the completed coupon OR by telephoning 01-588 5111 (24-hour answering service).

In London:
100 Wood Street, London EC2P 2AJ
19 St James's Square, London SW1Y 4JQ
39 Wigmore Street, London W1H 0AL

Outside London:
15 Clare Street, Bristol BS1 1XQ
71 New Street, Birmingham B2 4DU
23 St Vincent Place, Glasgow G1 2DT
7 Booth Street, Manchester M2 4AR

To: Hill Samuel & Co. Limited, 100 Wood Street, EC2P 2AJ.
Please send me a copy of the prospectus of Bright Walton Homes plc

Name _____

Telephone No. _____

Address _____

FT222

TAX RELIEF FOR 1985/6

This advertisement does not constitute an invitation to subscribe for shares.

ASSET MANAGEMENT PLC

Offer for Subscription under the terms of the Business Expansion Scheme of up to 500,000 Ordinary shares of £1 each at £2 per share.

No minimum subscription. £300,000 has already been raised from a private placing.

The Company is engaged in the Estate Agency business in West Sussex and intends to expand its operations to other regions, including Surrey and Oxfordshire. The Company provides a full range of residential and commercial property services and related services, such as mortgage and insurance broking.

Asset-backed to the shares from the Company's ownership of its freehold premises.

Prospectus contains the following projections:

	PRE-TAX PROFIT (LOSS)
4 months to 31 March 1987	(500)
Year to 31 March 1988	312
Year to 31 March 1989	628

The subscription list will open at 10.00am on Thursday 27 February 1986 and may be closed at any time thereafter; shares will be allotted on a "first come, first served" basis. A copy of the prospectus may be obtained by writing to or telephoning the Sponsor:

LANCASHIRE & YORKSHIRE INVESTMENT MANAGEMENT LIMITED
(Member of the National Association of Security Dealers and Investment Managers)
73 Wimpole Street, London W1M 7DD. Tel: 01-495 5566 (24 hour service).

1% BONUS UNTIL 28th FEBRUARY

Put your money where the rich man puts his!

Three major new funds from Guinness Mahon

With the launch of The European Fixed Interest Fund, The Yen Fixed Interest Fund and The Global Fixed Interest Fund, Guinness Mahon now offers a complete range of opportunities for capital growth and high income available in international bond markets. Until now these markets have been primarily the preserve of wealthy investors, institutions and international investment banks. Bond markets around the world have been performing strongly and prospects continue to be very good.

To minimise risk the Global Strategy Fund only invests in bonds issued by major Governments and international corporations. If you make your investment on or before 28 February, you obtain a Founder Investor Bonus of 1% on investments below £20,000.

To find out more send the complete coupon. Minimum investment is £1,000. Initial investment charge, 3.4% of 1% annual management charge thereafter. There is no initial charge on an investment of £30,000 or above, and the bonus does not apply to these nor to purchases. Investors are reminded that the price of most shares goes down as well as up.

Guinness Mahon

Guinness Mahon Fund Managers (Guinness) Limited, P.O. Box 188, La Vieille Cour, St. Peter Port, Guernsey, Channel Islands. Telephone: (0481) 23506 extension 231 or (0431) 492424.

Please send me a prospectus (on the basis of which investment may be made) and information form.

Name _____
Address _____
Postcode _____

A short, sharp lesson in portfolio management.

There's no secret about achieving the very best performance from your investment portfolio.

You simply retain an exceptional kind of investment manager to do the job for you.

The kind who is motivated enough to take an interest in the investment affairs of each one of his private clients. Yet skilled enough to be able to offer advice and judgement of a calibre that has impressed even the most demanding institutional investor.

Specifically recruited from the best in the City to meet the needs of private clients with £150,000 or more to invest, and backed by the intelligence-gathering and research resources of one of the world's largest banking groups, the Scimitar investment management team can now offer even the smallest client the same information and investment opportunities that our larger institutional clients enjoy.

When you take into account, too, that our income is entirely reliant on fees, is it any wonder that no other investment company can match the blend of judgement, investment expertise, objectivity and personal service that we can offer?

Send now for the Scimitar Private Client brochure and you'll see our point.

Write to Edward Bland or Michael Lindsell at: Scimitar Asset Management Limited, 33-36 Gracechurch Street, London EC3Y 0AX. Or phone them on 01-623 8111.

SCIMITAR HAS THE EDGE
Scimitar Asset Management Limited
Standard & Chartered

Queue for unit trusts

ESTABLISHED LIFE companies are queuing up to go into the unit trust sector. This week it was the turn of Clerical, Medical and General Life Assurance Society to announce full entry into the field from next month.

Clerical Medical has been a leader in traditional life assurance for decades, consistently in the top companies for with-profit performance. However, it has adopted a cautious approach to its moves into the unit-linked and unit trust sector.

While many traditional companies continued to do their own thing when they entered the linked sector, Clerical Medical combined with Fidelity International for its entry.

In October 1984 four funds were set up—Equity High Income, General Equity, Gift and Fixed Interest Growth and Indexed Securities—but they were essentially investment vehicles for unit-linked products.

Having tested the market and got a track record, Clerical Medical is ready to go fully into the unit trust sector adding four new funds and spending over £300,000 on promoting.

The new funds, American Growth, European Growth, Japan Growth and Gift and Fixed Interest Income, provide a range which can be offered to investors. Two more funds are coming later this year.

The Equity and Gift funds have an impressive performance record to go alongside the company's traditional with-profits record. It is hoping to attract £12m this year.

Eric Short

REAL ANNUAL RATE OF RETURN TO INVESTORS IN THE LONDON STOCKMARKET—PERCENTAGES

	SHARES		GILTS	
	Tax-exempt investor	Top rate taxpayer	Tax-exempt investor	Top rate taxpayer
1920-36 (16 years)	+17.7	+14.3	+12.2	+12.2
1938-52 (16 years)	-1.9	-4.7	-4.0	-4.0
1952-68 (16 years)	+12.3	+4.5	-1.0	-1.0
1968-82 (14 years)	-0.2	-4.9	-1.0	-1.0
1982-85 (4 years)	+20.5	+17.2	+5.7	+5.7

Source: The de Zoete Equity-Gilt Study, 25 from de Zoete & Bavan, 25 Finsbury Circus, London EC2M 7EE.

Peaks and plunges

EVEN THE MOST inept pension fund managers can beat inflation, provided they are patient enough, but life is harder for individual investors, as income tax can wipe out the gains from equity investment.

Since the end of the First World War, a pension fund exempt from tax has had to make a monumental mess of its investment strategy to fall behind the rate of inflation, according to figures from London stockbrokers de Zoete and Bavan. Even if it bought a portfolio of shares at exactly the wrong point in any stock market cycle—at the peak of a bull market such as 1928 or 1972, when share prices were about to plummet—it would still be showing a return of at least 3 per cent a year above the inflation rate if it had held on to the shares until now.

Wealthy private investors, however, could still be suffering a loss from their equity investment after allowing for inflation, because of the high rates of personal tax they would be liable to. They might do better with the 3.5 to 4 per cent real return now available from index-linked gilts.

The last six years have produced an exceptionally high real return of 18.8 per cent from equity investment, de Zoete says in its annual study of the performance of the London stock market since 1918. It has been bettered only twice since the Second World War—in 1957 to 1963 and in 1974 to

1980—but is lower than the return in the deflationary periods of the early 1920s or 1930s.

Shares held from 1918 to the present day would be showing a real return of 7.1 per cent a year, after reinvesting gross income. Reinvesting net income over the same period would have produced a real return of 2.8 per cent a year, while the capital value of the shares alone would have increased by 242.5 per cent, after allowing for inflation.

Gilt-edged Government bonds have done exceptionally well over the last decade. The period 1982 to 1985 was the first spell of four consecutive years since the Second World War when the total return from gilts beat inflation. The annual real returns on gilts of 14.1 per cent over the last four years and 5.6 per cent over the last 11 years were only bettered by purchases made in 1920. These provided a real return of 12.2 per cent a year in the 15 years to 1936.

By contrast, everyone buying gilts between 1936 and 1972 was showing a loss after inflation 10 years later. By 1985, despite the exceptionally good performance of gilts in the last 11 years, almost everyone who bought gilts in the 40 years between 1927 and 1967 was still suffering a real loss—even tax exempt investors who could reinvest gross income.

George Graham

Looking for increasing income?



The new Govett UK Progressive Income Fund offers a portfolio of UK equities and convertibles, providing an above average yield, with particular emphasis on:

- * COMPANIES WITH DYNAMIC NEW MANAGEMENT
- * ASSET REDEPLOYMENTS
- * RECOVERY AND TAKEOVER SITUATIONS
- * NEW ISSUES

So, if you are looking for the prospect of an increasing income AND capital growth, return this coupon today:

To: John Govett Unit Management Limited, Winchester House, 77 London Wall, London EC2N 1DH. Tel: 01-588 3629.

Please tell me more about: Govett UK Progressive Income Fund FT22:2

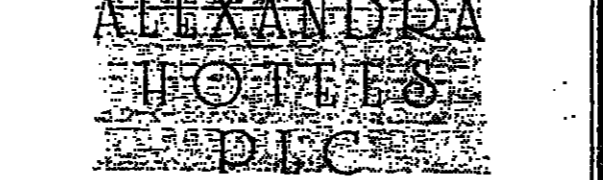
Name _____

Address _____

My usual investment adviser is _____

John Govett Unit Management Limited

Sponsored by: PBR FUND MANAGEMENT LTD



Issue of up to 2,450,000 ordinary shares of £1.00 each at the price of £1.00 per share payable in full on application

1985/86 Tax Relief
BUSINESS EXPANSION SCHEME
Minimum Application £1,000

The Company has been formed to acquire, manage and develop a group of quality hotels in the South of England.

- Key Points:
- Substantial asset backing
 - Experienced Management
 - Issue underwritten for £750,000
 - Initial Investors have put in £100,000
 - Low issue costs
 - Strong Board. Experienced businessmen as Directors
 - Founders shares only start to benefit when the value exceeds 27.6%

The subscription list will close when the offer is fully subscribed but in any event not later than 3.00pm on the 28th February 1986, unless extended by the Directors.

Copies of the prospectus may be obtained from: PBR Fund Management Ltd, 146a Queen Victoria Street, London, EC4V 5AP. Tel: 01-236 4070.

This advertisement is not an invitation to subscribe for shares.

3 new unit trusts that aim to prove UK investment is best.

Windsor Trust Managers is a new unit trust group run by old hands at investment management, and backed by a major UK Life Assurance Company.

WINDSOR CONVERTIBLE AND EQUITY TRUST: a unique opportunity, offering an estimated yield of 8%, and prospects of capital growth.

WINDSOR INCOME TRUST: providing a balance between immediate and future income, with an anticipated yield of 6%.

WINDSOR GROWTH TRUST: aimed at long term capital growth, with an estimated yield of 2.0%.

There is a simple share exchange facility. For further information just send the coupon or telephone 01-831 7373.

To: Windsor Trust Managers Limited, Windsor House, 83 Kingway, London WC2B 6SD. Please send me full details of your range of unit trusts.

Name _____

Address _____

Postcode _____



John not 110

إعدادنا لالصل

FINANCE & THE FAMILY

Reversionary interest

Auction your future now

ESAU gave it a bad name—selling his birthright for a mess of pottage. But the sale of a future asset to obtain cash at a time when you need it most can be a lifesaver for some people, or a useful tool in tax planning.

Foster and Cranfield, as auctioneers, aim to act solely in the interests of the sellers, who pay the commission. The firm can normally estimate the value of the financial right being offered for sale. It takes into account the life expectancy of the person involved; assesses the likely growth in the value of the trust, policy, or property over the years; and keeps in touch with market trends.

Cheque rates

Boost for the banks

LAST MONTH'S rise in bank base rates has increased the attractions of the high interest chequebook accounts with which banks compete most keenly against the building societies' instant access accounts.

Cheque rates

Boost for the banks

Cheque Savings account and only £1 for Citibank's Cheque Plus account. But to earn high interest, all the accounts require much larger deposits. This is generally £2,500, although a few accounts have lower qualifying balances at which they pay the higher interest.

Cheque rates

Boost for the banks

than their normal deposit account rate, so you would be better off taking the money out of the account and putting it on a seven-day deposit or, better still, into a building society.

FINOTEL PLC advertisement including an image of the Hotel Ibis Heathrow and text describing the Business Expansion Scheme.

With his long experience in the business, Mr Enriquez, a senior partner of the company points out: "Everything has a value if you know where to sell it."

How funeral costs can beat inflation

A FUNERAL, however simple, can be an expensive affair—adding a financial burden to the grief of a recently bereaved family. Over the past decade, the cost of the typical funeral has risen from £166 to more than £600.

John Edwards... the buyers of reversionary interests can also serve their own interests. Trustees of a fund whose beneficiaries are young children as yet requiring little in the way of income, can buy capital investments maturing at a later date, perhaps spread over a number of years.

How funeral costs can beat inflation

Chosen Heritage, on the other hand, offers a choice between a "traditional" funeral, incorporating a high quality oak-veneer casket and a range of extra services, and a cheaper "simplicity" funeral.

FOR UK INVESTMENT, MERCURY SHOULD BE YOUR FIRST CHOICE.

The performance of Mercury's UK invested unit trusts is impressive. Over the 12 months to 1st February, 1986, the value of units* in Mercury Recovery Fund grew by 32.5%.

MERCURY

MERCURY FUND MANAGERS LIMITED - PART OF WARBURG INVESTMENT MANAGEMENT LIMITED, 33 KING WILLIAM STREET, LONDON EC4R 9AS.

Form for requesting details of Mercury's UK invested unit trusts, including fields for Name, Address, Postcode, and Telephone.

Lloyd's Syndicate Results-1982 advertisement with the heading 'FREE IF YOU JOIN THE ALM' and details of membership benefits.

Advertisement asking 'DID YOU TREBLE YOUR MONEY IN 1985?' and 'OR DID YOU LOSE MONEY IN 1985?' with details of a USMOVIC REVIEW.

Tax Relief 1985/86

Proposed offer for subscription under the terms of the BUSINESS EXPANSION SCHEME to be sponsored and underwritten by ANGLO DUTCH LIMITED

CARE HOMES (UK) PLC

Joint sponsors: London - LAURIE, MILBANK & CO. Glasgow - GREIG MIDDLETON & CO.



Dorney House, Swainswick, Bath, will provide nursing and residential care beds for the elderly.

BUSINESS

The company will be engaged on the establishment and operation of nursing and residential care facilities equipped to a high standard.

MANAGEMENT

The management team will be supervised by Life Care Homes Ltd, a subsidiary of Life Care International plc, which currently manages approximately 260 beds in seven nursing and residential care homes.

DIRECTORS & ADVISERS

The skill and experience of the Directors, comprises the direct main ingredients of the Company's success - care of the elderly, hotel architecture and project management.

GROWTH POTENTIAL

This property must have a minimum of 6 to 12 beds and be situated in a high demand area with a high potential for growth.

UNDERWRITING

The company will be engaged on the establishment and operation of nursing and residential care facilities equipped to a high standard.

This advertisement has been published by Anglo Dutch Limited and does not constitute an offer to subscribe for shares.

For your copy of the prospectus on publication please mail to Anglo Dutch Ltd, Park House, 16 Flusbury Circus, London EC2M 7JD or telephone 01-588 4278

NAME

ADDRESS

POSTCODE TEL NO.

FT 22/2

FINANCE & THE FAMILY

Unit Trusts

The big rush overseas

FOR THE last two years fund management groups have been tripping over each other to launch income funds invested internationally rather than purely at home.

Fiscal changes are largely responsible for their sudden appearance. Unit trusts have for years suffered a far higher tax charge on their overseas revenue, which is unfranked and therefore subject to corporation tax, than on their franked UK dividends.

Double taxation treaties have helped too. They enable UK institutions to escape much of the withholding tax imposed on dividends by foreign governments and so to avoid being charged both at source and by the British authorities on the same money.

On a more negative note, last year's changes in the taxation of UK gilts encouraged unit trusts to dream up alternatives to their established gilt funds.

The removal of capital gains tax on direct holdings of fixed interest stocks—though not on unit trusts invested in them—put the gilt funds at a severe disadvantage and persuaded many unit-holders to set up shop elsewhere.

In spite of their increasing popularity, international income trusts still have to struggle to generate returns

comparable with their UK counterparts. The fact is that British companies tend to be more generous when paying dividends to shareholders than their overseas competitors, who often prefer to reinvest the cash in their business. Japanese equities yield a parsimonious 1 per cent, compared with the 3.2 FT All-Share Index.

Wall Street, where the S and P Industrial Index currently yields around 3.5 per cent, is the obvious choice for international income funds—almost half are US specialists. But even here it is the highly capitalised rather than the smaller-growth companies that pay out generously.

Foreign and Colonial, for example, have even set up a European Income fund, whose near 4 per cent yield owes

Table with 3 columns: Name, Size, 1-year gain/loss (%), Yield (%). Includes Abbey Worldwide Bond, Allied Dunbar Amer Inc, British American Income, etc.

* Offer to bid, net income reinvested. Figures at February 1 Source: Money Management

much to the hefty returns now available on foreign bonds. Only three trusts—Waverley Ginnie Mae (specialising in US mortgage-backed securities), Abbey Worldwide Bond and S & P International Bond—invest exclusively in the fixed interest sector, and their yields are intractably at the upper end of the scale.

growth trusts last year (see table). The majority of these concoct a mix of straight equities and fixed interest, particularly convertible, stock. The higher the proportion of equities, the lower generally the yield—but the greater the growth potential.

F&C's Overseas Income fund, for example, devotes 75 per cent of its portfolio to blue chip and utility shares in the States and Europe (Royal Dutch, Chase Manhattan, Sears Roebuck, Pacific Gas, etc) leaving just a quarter in American and Japanese convertibles to bump up the yield while maintaining exposure to the underlying share price.

M & G's \$38m International Income trust is equally strict

in ruling out pure fixed interest bonds. Nearly all the fund consists of common stock with only around 10 per cent in UK, Australian and Japanese convertibles—plus about 5 per cent in high yielding, gold shares. Both these funds stress the defensive qualities of high yielding equities.

Many of the US specialist funds concentrate on convertibles, which produced (like other US bonds) some solid gains in 1985 on the back of falling interest rates and a soaring equity market.

They are a conservative way of getting a combination of income and the potential for capital growth, according to Noel Carter, who handles S & P's \$56m American Income & Growth trust. This fund has almost 70 per cent in convertibles, the remainder being split between equities, warrants, bonds and cash.

MIM US Special Income similarly is 65 per cent in convertible bonds and preference shares, with the balance in large capitalisation equities in the motor manufacturing, financial, utility and property sectors.

International income funds are unlikely to be spectacular performers. But they should give UK investors wishing to add an overseas flavour to their portfolios a smoother ride than an out-and-out growth vehicle if stock markets start falling.

Martin Winn

Lure of the Swiss franc

A GOOD CURRENCY spread is as basic to a prudent private investor or pension fund as getting a spread between equities, fixed interest, property and cash. You can buy a good share in a bad currency (a falling pound can be good for some exporters) but there are no such compensations if you buy gilts or bonds in inflation-prone currencies.

If you think the equity market is near the top and are increasing the fixed interest content of your portfolio, then you should think hard about your long-term currency spread. You can lock yourself into a high real rate of return on US Treasury Bonds for the next 25 years, but is the dollar going to resist inflation better than sterling over this period?

Commercial currency forecasting is for short-term transactions. Channel Islands currency funds offer a short-term game of currency roulette. In contrast when you plan your

fixed interest portfolio you have to make your best long-term political and economic guess and hedge your bets by having a mix of gilts, index-linked gilts and foreign bonds.

In practice there are only two currencies other than the pound and the dollar that you should consider for inclusion in your fixed interest portfolio: the Swiss franc and the Deutsche Mark.

Switzerland offers certain tax advantages as compared with West Germany. When the dollar falls it will be against the Swiss franc and Deutsche Mark.

Swiss interest rates are low and this puts many people off. But together with periodic in-

creases in the Swiss franc exchange rate they can give a higher overall rate of return than higher nominal rates in a high inflation currency. Had there been no UK exchange controls in the decade 1970-80 a UK investor in Swiss bonds would have averaged a real rate of return 8 per cent higher than in UK gilts, if exchange rate gains are included.

Currency adjustments are not regular. They tend to come like landslides. If you wait until it starts to happen you can never find a bank to move your money quickly enough, which is why you have to build up your basic long-term currency spread and hold on to it, even in years when the Swiss franc appears to move at the pace of a glacier. If you remember skidding when you get

SFr 12.00 to the pound (you now get SFr 3.00) you will also remember the panic periods when this glacier-like movement of the Swiss franc was the envy of other nations—when the currencies of other countries were descending like an avalanche.

There are several barriers inhibiting diversification into Swiss bonds. Most are anonymous bearer securities that require safekeeping, for which the Swiss banks will charge a percentage of the nominal value each year. A small group of banks hold most of the bonds and tend to do all the buying and selling on behalf of their clients, netting off their transactions between each other. The market is imperfect by UK gilt standards. Try selling a relatively small

amount and you find yourself pushing the price down before your bank can make a sale.

The 35 per cent Swiss withholding tax levied on interest payments to non-Swiss residents is another barrier. A UK citizen can get back 20 per cent under the double taxation treaty, plus a tax credit for the remaining 15 per cent. However this tax credit is useless to a UK pension fund which pays no UK tax.

Prospects of a falling dollar, a falling pound and the wish of many UK investors to play safe during the two-year run up period to the next general election could see the Swiss franc climbing back to the top of the currency charts. It is not simply a collector's item, but the money in which the people with one of the lowest inflation rates and the highest living standards in the world earn their living and pay their bills.

John Williams

Business Opportunities

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENTS

This advertisement is not an invitation to subscribe for or purchase any shares

SILVER ARROW Plc.

(name to be changed to Armstrong-Hiles Plc)

offer for subscription under the Business Expansion Scheme arranged by

Interlink Insurance and Financial Services

(Licensed Dealer in Securities)

of up to 250,000 ordinary shares of £1 each at £1.40 per share payable in full on application to raise up to £250,000

Armstrong-Hiles Limited was formed in 1985 in order to provide first-class accommodation for retired people who do not wish to be "institutionalised" and who are able to afford the luxury and service found only in good hotels.

Market research by the Directors has shown a considerable demand for this type of accommodation, especially in the more affluent retirement areas. The company will purchase and develop a property situated in South Devon that lends itself ideally to meeting this demand.

The subscription lists will close as soon as the offer is fully subscribed and not later than 3.00 p.m. on the 17th March unless extended before that date.

Copies of the Prospectus with an Application Form may be obtained from—

Interlink Insurance & Financial Services

36a Palace Avenue, Paignton, Devon TQ3 3HB

Telephone: (0803) 554133

PATENT OWNER

Requires hard working, entrepreneurial individual to bring existing project to fruition. Experience of business building and financial control in unstructured working environment vital. We want an energetic self-starter who is willing to accept low rewards at first with substantial opportunities if successful.

Principals only. Write Box F827, Financial Times 10 Cannon St, London EC4A 3DF

LOOKING TO WIDEN YOUR PRODUCT RANGE?

Manufacture of building products including Admixtures, Joint Sealants, Mortars and coatings with modern production facilities is seeking to maximise manufacturing capacity. Large annual volume.

Write Box F831, Financial Times 10 Cannon St, London EC4A 3DF

KENT GROWTH AREA

Manufacturing company based in Ashford, Kent requires equity investment. Full BES relief available. Details: BARRINGTON SECURITIES LTD The Arcade, Tenterden, Kent TN30 8AD Telephone: 0566 3448

EXECUTING OPPORTUNITY FOR EQUITY PARTICIPATION IN PROFESSIONAL PRIVATE COMPANY

Engaged in residential/leisure property marketing, development and management, primarily in Spain and southern England. Present hard-working directors believe company can look to USM within a few years. Write Box F836, Financial Times 10 Cannon St, London EC4A 3DF

PROFITABLE SECURITY COMPANY SEKS EQUITY FUNDS FOR EXPANSION

Recently formed from management buy-out specialising in the design, installation and maintenance of sophisticated security systems. Anticipated turnover for 1986 should be approx £1.4m. For full details Write Box F828, Financial Times 10 Cannon St, London EC4A 3DF

PUBLIC HOLDING COMPANY

(formerly listed on The Stock Exchange) WITH TRADING SUBSIDIARY FOR SALE at net asset value (approx £100,000) TURNOVER APPROACHING £1m Principals only Mathercourt Securities Limited 01-831 9001

INDUSTRIAL CONTROL SYSTEM MANUFACTURER

Working with production and development contracts has new products and licensing opportunities resulting from major DTI support for research and development. REQUIRES £30,000 AND CHAIRMAN WITH GOOD INDUSTRIAL CONTACTS Suitable BES investment. Write Box F831, Financial Times 10 Cannon St, London EC4A 3DF

Office Furniture Supply Company

For Sale Hertfordshire Freehold Premises John Ford + Co 61 Queens Gardens London W2 3AR Tel: 01-402 8366

Businesses For Sale

MANCHESTER BETTER CLASS LADIES FASHION BUSINESS IN HIGH CLASS AREA Sales approx £190,000 p.a. 5 years audited accounts available showing excellent profits. Long lease at low rent and rates. Modern premises completely refitted last year. Scope for expansion. Ill health only reason for sale of very prosperous business at much below market value. Deferred methods of payment will be acceptable. Apply: Mr S. C. Stevenson, JP FCA J. C. Allen & Co (Accountants) St James Building, 79 Oxford St Manchester M1 6HT

PRIVATE HIRE BUSINESS FOR SALE IN IPSWICH

Taking average £2,600 per week. Goodwill £80,000. Vehicles at valuation. Write Box F824, Financial Times 10 Cannon St, London EC4A 3DF

Hotels & Licensed Premises

Humberts Leisure

OXFORDSHIRE

Burford 1 mile - Oxford 20 miles. 24th March 20 miles - London 75 miles. An established residential health farm in a prime Cotswold location. Also suitable for Hotel/Retirement/Institutional user (subject to planning). 10 Bedrooms, 4 Reception Rooms. Health Clinic: Beauty, Massage and Hair Salons, Saunas. Leisure Spa: Hydro Spa and Gymnasium. Gardens, Stables and Paddock. In all about 5 acres. *FOR SALE FREEHOLD AS A GOING CONCERN. Details: Humberts Leisure 01-629 8700 (01/3389/CHD)

CORNWALL

Controlling interest in holiday caravan and camping site close to south coast beach and Cornwall's most prosperous town. 22 acres of woodland and parkland 255 beds and residential caravans. 19th-century mansion containing licensed club. A business with considerable potential in need of a capital injection. £100,000 sought for majority shares. (Whole company available as alternative.) PRIOR LEISURE 3 Church Street, Falmouth, Cornwall 0326 313636

Businesses Wanted

WANTED MEDIUM TO LARGE FIRM

Seeking diversification with the foresight to take over financial aspect and general running of small company with profitable product range dealing in the treatment and recovery business, enabling hard pressed but enthusiastic owner/manager to fully exploit market potential. Interested parties please write to: Mr C. Zachariasen, 2 Mazonfield Avenue, Portsmouth Hants PO6 4PD

We are a PRECISION MECHANICAL ENGINEERING COMPANY

With medium batch production of own products. We seek to acquire a company or additional product lines where areas of manufacturing facilities will be beneficial. Turnover c. £0.5m to £1m to £1.5m. Reply in strict confidence to: P. J. Clark, Managing Director, Allbook & Hashfield Ltd 183 Huntingdon Street, Nottingham NG1 2NG Telephone: (0822) 822721 Telex: 377104 GILTRM G

PRINTING COMPANY

Privately owned printing group wishes to acquire a company in a Home Counties (South) location. Preferably 25 mile radius. U25 Turnover circa £500,000. Write Box F823, Financial Times 10 Cannon St, London EC4A 3DF

INVESTMENT COMPANY wishes to acquire a SMALL BUSINESS

In total or in part situated in the Midlands. Please send full details in the strictest confidence to: BOY HOSKES Financial Times 10 Cannon St, London EC4A 3DF

Legal Notices

No. 00874 of 1985 in the HIGH COURT OF JUSTICE Chancery Division in the Matter of BARHAM GROUP PLC and in the Matter of the Companies Act 1985, NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice, Chancery Division, dated 3rd February 1985 confirming the cancellation of the Share Premium Account of the above-named Company of £17,262,434-67 was registered by the Registrar of Companies on 8th February 1985. Dated the 18th day of February 1986. CLIFFORD-TURNER, Bickfords House, 19 New Bridge Street, London EC4A 8BY Solicitors for the Company.

GLOBEWIDE continues to arrange major Lines of Credit for:

Corporate Finance Property Development International Trade Capital Financing & Restructure Mortgages (min. £100,000) Principals only should write to: GLOBEWIDE FINANCE LTD 77 Moscow Road, London W8 7EL Tel: 01-727 8414 Telex: 9983500 Write Box F827, Financial Times 10 Cannon St, London EC4A 3DF

FOR SALE CONSUMER MAGAZINE

In the entertainment/leisure industry. Apply Box F830, Financial Times 10 Cannon St, London EC4A 3DF

Courses

BURTON INTERNATIONAL are holding regular courses on a variety of subjects.

£50,000 FIXED TERM DEPOSIT

16.72% per annum. Paid gross. Deposits secured. Interest fixed. Interest may be drawn monthly, half year, annually, £100,000 max deposit. Min term 3 years max 5 years. £1m only in February. Other offers available. Enquiries from brokers, financial advisers, pension fund managers, etc. are welcome.

BRADFORD INVESTMENTS, F.T. 91 Manningham Lane, Bradford 1, West Yorkshire Tel: (0274) 395807 or Answerphone (0274) 737548 Licensed Deposit Takers Established 1972

HOLOVISION MAKING HOLOGRAMS PART OF TODAY'S WORLD

Contact Paul Nathan 01-289 9969

Capital Required, long term £250,000. Unique invention. U.K. £60m, Europe 250m, USA \$100m. L.S. Howard, J. & J. Hewlett Street, 204-66 & 206773. Tel: 0870

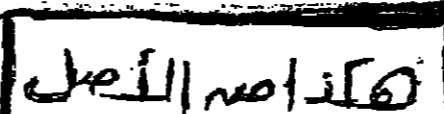
SOVEREIGNS & KRUGERANDS wanted. The only direct paid Northern Bullion Ltd. 110, New Street, London EC2A 3DB. Tel: 0870

URGENTLY WANTED: Krugers, Maple Leaf and Sovereigns. Top London prices paid. Also Northern Bullion. Tel: 0870

Special Art Sponsorship Opportunity. Excellent opportunities exist for high profile association with one of Britain's best exhibition centers (International Herald Tribune). The works of Cecil Beaton, Britain's most influential photographer and arbiter of fashion will be displayed in a sumptuous retrospective exhibition at the Barbican Art Gallery May/July 1986. Sponsorship, sole, joint or guarantee against loss, is sought for this and other projects in the future. for further information, please contact: CLARE WILSON Barbican Art Gallery; 01-585 5708

THE BUSINESS SECTION

will now be appearing every Saturday and Tuesday in the Financial Times. For further details please contact Penny Scott on 01-248 8000. Ext. 3740



FINANCE & THE FAMILY

Home is where the domicile is

I shall be glad to have your opinion as to whether my wife will in due course be considered to have UK domicile in which she is interested in view of the possible application of Capital Transfer Tax between us on the death of either.

the date of their marriage) have proved so absurd that the English and Scottish Law Commissions proposed its abolition last year, in a green paper published on the same day as the 1985 Finance Bill.



valuation and would be allowable as a tax loss to set against gains tax. Is this correct?

On Tuesday, April 1 (or a day or two later, in time for your letter to reach him/her by Saturday, April 5), you should write to your tax inspector along the following lines:

The right to draw water I would appreciate your opinion on a question of legal rights to a water supply to a holiday home which has drawn water from and through an adjoining farmer's land for some 50 years.

Selling shares for tax losses I asked my broker to sell a shareholding in order for me to establish a tax loss. This he did not do as the sale proceeds would have been less than the sale costs.

long a period of usage. Is there any action I could take to strengthen any existing right?

Action against estate agents I recently placed my house on the market through estate agent (A) and successfully achieved immediately his recommended sale price from a chartered agent (B) which was £7,000 in excess of that from (A).

Now, while I appreciate there would be an increase in the valuation in the past three months in line with regional trend, I do believe that I was originally substantially incorrectly advised by agent (A).

No legal responsibility can be accepted by the Financial Times for the answers given in these columns.

land 6-3. Yusupov clearly showed strength of character. He was a game down at the start, playing at Tilburg on Dutch soil to a background of patriotic audiences and high profile media reports.

CHESS

A NEW agreement between the International Chess Federation (FIDE) and world title contender Karpov and Kasparov effectively restores the championship cycle from two years to three.

Pressures from a new generation who might think that four years is too long to wait could force FIDE into a rethink before then.

Both are junior world champions, but on overall form it is the older Yusupov who carries greater credibility for the senior title.

White: A Yusupov (USSR). Black: J. Nogueiras (Cuba). Queen's Gambit Declined (Montpelier 1985).

Clearly Black missed this tactical reply which ruins his position. The main point is that the planned NxP(K4) fails to 13 NxQP when Black's queen has to give way and allow the fork N-B7 ch.

land 6-3. Yusupov clearly showed strength of character. He was a game down at the start, playing at Tilburg on Dutch soil to a background of patriotic audiences and high profile media reports.

White: A Yusupov (USSR). Black: J. Nogueiras (Cuba). Queen's Gambit Declined (Montpelier 1985).

Clearly Black missed this tactical reply which ruins his position. The main point is that the planned NxP(K4) fails to 13 NxQP when Black's queen has to give way and allow the fork N-B7 ch.

Clearly Black missed this tactical reply which ruins his position. The main point is that the planned NxP(K4) fails to 13 NxQP when Black's queen has to give way and allow the fork N-B7 ch.

land 6-3. Yusupov clearly showed strength of character. He was a game down at the start, playing at Tilburg on Dutch soil to a background of patriotic audiences and high profile media reports.

White: A Yusupov (USSR). Black: J. Nogueiras (Cuba). Queen's Gambit Declined (Montpelier 1985).

Clearly Black missed this tactical reply which ruins his position. The main point is that the planned NxP(K4) fails to 13 NxQP when Black's queen has to give way and allow the fork N-B7 ch.

Clearly Black missed this tactical reply which ruins his position. The main point is that the planned NxP(K4) fails to 13 NxQP when Black's queen has to give way and allow the fork N-B7 ch.

Leonard Barde

The Investment Trust Table

Table with columns for Investment Policy, Management, Share Price, Yield, Net Asset Value, Geographical Spread, and Total Return. Includes sub-sections for CAPITAL & INCOME, CAPITAL GROWTH, SPECIAL FEATURES, and SPLIT CAPITAL.

NOTES TO THE TABLE 1. No date. 2. Applies to Ordinary 'A' Ordinary only. 3. More than one quarter in non-equity investments.

INDICES OF FIVE YEAR TOTAL RETURN Investment Trusts Average 370. FT - Actuarial All-Share 288.

PICK UP A COPY FOR JUST £3.50 This latest edition is essential reading for every private investor.

Investment Trusts. Your shares of the action.

Language Courses

Improved facility in foreign languages would help Britain's businessmen redress the imbalance in trade with our major partners. The main problems start at school, however, as Michael Dixon reports

When talking shop is vital

Lorsque nous téléphonons votre standardiste ne connaît pas le français et raccroche le téléphone tout simplement sans chercher. Vous voudrez bien lui expliquer que l'anglais est certes une langue merveilleuse mais pas encore universelle. Si vous voulez continuer à travailler avec l'étranger il vous faudra faire un effort. C'est ce que toutes les autres nations font.

THAT EXASPERATED message was recently teleaxed to a British company by one of its customer concerns just across the English Channel. Both organisations have something exceptional about them.

The French one is rare in setting itself to be goaded into open protest by its British supplier's refusal even to try to communicate in anything except English. Most of the foreign organisations which are subjected to such snubs almost every day seem to suffer them

in silence, at least until they can find more considerate communicators to deal with. What is rare about the supplying company with hang-ups on its telephone switchboard is that it apparently took to heart its French customer's advice that if it wanted to go on trading with foreigners, it needed to make an effort to learn their tongues.

By contrast most British organisations, not to mention private citizens, close their ears and their minds to suggestions that it is in their own interests

to speak other languages. They seem to take the fact that "it's what all the other nations do" as all the more reason for not doing it.

In the process they also close their minds to mounting evidence of the far-reaching costs of their attitude—some examples of which were cited by Professor Nigel Reeves, head of Surrey University's Linguistics Department, during the Institute of Linguistics' Jubilee lecture in London at the end of last year.

The starkest is that in 1983, a decade after joining the European Economic Community, the UK recorded its first overall peacetime trading deficit in manufactured goods. The consequent breast-beating, including inquiries by committees of both Houses of Parliament, ensured that the achievement became pretty widely recognised.

What seems to be less well known, however, is in which countries the bulk of the deficit is accrued. In 1984 the leading ten of them were as follows:

Country	£bn
West Germany	2.1
Japan	2.9
Italy	1.3
US	1.2
France	1.2
Switzerland	1.0
Netherlands	0.9
Benelux	0.6
Finland	0.5
Taiwan	0.4

Hence of the UK's £15.1bn manufactured goods deficit with those leading 10 countries two years ago, West Germany alone accounted for more than a third. It also accounted for more than half of the deficit with the listed countries which are in the EEC, and where community members' manufacturers face no tariffs. The second and third places go to Japan and Italy.

A better balanced trade in manufactures with the top placed trio, or even with West Germany and the other EEC members, would do much to improve the UK's position. Oddly enough, while a lot of people in these countries have taken the trouble to learn English, they would probably still prefer to do business in their own language.

The picture changes somewhat when one looks at the 10 countries with which the UK had the biggest trading surpluses in manufactured goods in the same year. They, and the approximate surpluses, were:

Country	£bn
Saudi Arabia	1.0
South Africa	0.9
Australia	0.7
Nigeria	0.6
Iran	0.6
Irish Republic	0.5
USSR	0.5
India	0.4
United Arab Emirates	0.4
Egypt	0.3

Hence the places in which the UK's overseas manufacturing trade performs best seem to be largely of two main kinds.

One consists of countries where English is the dominant language of trade, at least on an international scale. Of these South Africa, Australia and Ireland are more advanced industrially and Nigeria and India less advanced. (It is true, of course, that the US is high on the list of deficit countries but the UK's manufacturing exports to it are nonetheless pretty high—£5.5bn in 1984 compared with £4.9bn to West Germany.)

The other kind is made up of countries which although speaking different languages tend to be on the pattern of Nigeria and India, in the sense that the UK exports to them fairly sophisticated manufactures while importing more basic goods such as raw materials.

In other words, said Professor Reeves, "we remain most successful in countries where the marketing pattern still most closely resembles that established for a century and a half of trading in the old British Empire—either as previous parts of the Empire itself or where English remains the official language of trade."

He also pointed out that the most probable root of the British nation's distaste for learning foreign languages lay in the fact that there was little need to when it could depend on the imperial markets.

Yet those days are gone. Scarcely a quarter of UK exports now go to the English-speaking Commonwealth and the US, and they can hardly be relied on to increase sufficiently. The best growth prospects would seem to lie not only in European countries, which account for more than half the UK's total exports compared with less than a third 15-20 years ago, but perhaps still more in newly industrialised countries such as those of the Far East.

In most cases they have distinctly different business cultures, to which no British exporter can gain first-hand access without competence in the relevant language.

What is more, just as the UK's main-trade markets are changing, so is the advanced world's understanding of the marketing process.

Until fairly recently the generally accepted notion was that successful marketing depended on companies engineering an appropriate mix of mechanistic factors such as price, product and promotion, with the interactions between the personalities involved mattering relatively little.

The old notion has now been challenged by researchers such as the International Marketing and Purchasing Group, which has members in five European countries. Its British base being at the University of Manchester Institute of Science and Technology.

The new research indicates that the marketing process is much more influenced than was previously thought by the people from the various organisations who are taking part in the deal, and especially so in industrial markets and those which cross national boundaries.

Indeed the five-nation group claims that the greater the cultural distance between the parties to the business the more important it is for each to devote to it a sufficient number and range of staff able to establish personal understandings with their counterparts on the other side.

One problem is that several studies have shown that British industry tends to be considerably more generous with the number, range and seniority of the people it devotes to domestic market transactions than it is in staffing its export efforts.

Another drawback for the UK in a process evidently so heavily dependent on good communication is of course

Britain's general deficiency in foreign-language skills.

Evidence of the key link between linguistic competence and success in selling and purchasing overseas has emerged from a further study by members of the five-nation group. They asked marketing and buying specialists in each of the countries for their impressions of the people they dealt with in the other four. There was general agreement about the typical British operators.

While they received high marks for trust, friendship and likeability, they were considered to have four weaknesses. One was a serious lack of understanding of how foreign companies work. A second was a tendency to be inflexible particularly about changing their accustomed procedures.

Another was a shortage of interest in joint product development with overseas companies, and in making follow-up studies of how their products are used. The fourth was a lack of the skills required in understanding buyers' problems or analysing customers' needs.

These add up to what can only be called an insularity of attitude," Professor Reeves declared. "The authors of this



Professor Nigel Reeves: the costs of not learning foreign languages are far-reaching for industry

study blame the failure of British marketers to adjust and even want to adjust to non-English-speaking overseas markets and business cultures equally on incompetence in foreign languages. This does seem to be the missing dimension."

He does not view the outlook as entirely bleak, not least because a fair number of British companies which have seriously taken up the language-learning challenge have recorded impressive progress. A prominent example is Jaguar which in 1984 achieved a 60 per cent increase in its sales in West Germany.

Part of the company's success undoubtedly lies in its great improvements in quality control, but another part is highly probably its effort to develop key staff's skills in foreign tongues—especially German—as an element of its extensive company training programme.

Another encouraging sign is the widespread development in the UK of courses concentrating on teaching other nations' languages as tools of communication, as distinct from the con-



As close to a language as you can get!

As a non-profitmaking foundation, Eurocentres offers high quality professionalism at reasonable cost:

- purpose designed buildings with extensive resources and equipment, including multi-media learning centres
- experienced, qualified staff with access to regular training opportunities
- systematically developed programmes integrating classwork, learning centre study, and project work
- accommodation in selected host families
- Teacher Refresher Courses in summer

WITH EUROCENTRES YOU CAN LEARN

- ENGLISH in London, Brighton, Bournemouth, Cambridge, Dublin, Toronto, Oxford and Edinburgh.
- FRENCH in Paris, Lausanne, Neuchâtel and Antibes.
- GERMAN in Cologne and Zurich.
- ITALIAN in Florence.
- SPANISH in Barcelona and Madrid.

Write for a prospectus to EUROCENTRE Lee Green, Dept. ZW, 21 Meadowcourt Road, London SE3 9EL. Tel. 01-318 5633. Telex: 895 4877.



Longman English language training materials for international business

COURSEBOOKS | CASSETTES | VIDEOS | COMPUTER SOFTWARE | DICTIONARIES

For an Information Pack please contact: Julie Evans, Business Marketing Department, Longman Group Limited, Burnt Mill Harlow Essex CM20 2JE England. Telephone: Harlow (0279) 26721 ext 234. Telex: 61259



CAMBRIDGESHIRE COLLEGE OF ARTS AND TECHNOLOGY ENGLISH FOR BUSINESS

Termly courses
Tailor-made courses for organisations on request
For details contact: R. Bruce-Wilson
Cambridgeshire College of Arts and Technology
East Road, Cambridge CB1 1PT. Tel: (0223) 63271

Executive Language Centre

Individual Courses for executives in all languages
Conversational/Commercial Financial/Technical
Foxglove House, 166 Piccadilly, London W1V 9DE 01-493 7804

WORKSHOP
Flexible language learning and translation facilities in 10 languages
Customised tuition: in-house or by College tutorial
LANGUAGE CENTRE
Blackpool & Fylde College of Further and Higher Education
Aichefield Rd, Blackpool, Blackpool FY2 0HB. Tel: (0523) 62822 Ex 308

Surrey Language Centre
A fully comprehensive language training service in all languages. Convenient, comfortable location (Waterloo, 45 mins), impressive portfolio of major clients.
For full brochure contact: Dr. J. Cooks
Link House, Church Street, Godalming, Surrey GU7 1JW, England
Tel: (04868) 28825

ENGLISH NOW!
Our Tutors Visit You
Tailor Made Language Tuition for Business People
Tel: 01-263-7361

LEARN A LANGUAGE - FAST!
In House courses
Individual and group tuition
CENTRE COLLEGE (Richmond)
27-29 George Street
Richmond, Surrey
Tel: (01) 948 333/1304

Please send me more information about The Countrybar Story
Name _____
Address _____
Company _____
Send to: Thomas Nelson & Sons, Ltd, Promotions, Nelson House, Marwick Road, Watlington-Thames, Surrey, KT12 5PL, England.

CENTRAL MANCHESTER COLLEGE
Provides a wide range of training services to industry in all major European languages
English as a foreign language
In-house or college-based
Contact: Sheila, Manchester
061-831-7883 2600

EAST WARWICKSHIRE COLLEGE

POST-GRADUATE LINGUISTIC COURSES

A one year full-time course which enables students to develop their language skills in the commercial key, by combining language studies with one of the following qualifications:

- CERTIFICATE OF THE INSTITUTE OF ADMINISTRATIVE MANAGEMENT
- COMMUNICATIONS, ADVERTISING AND MARKETING CERTIFICATE
- RSA DIPLOMA FOR PERSONAL ASSISTANTS

POST 'A' LEVEL BILINGUAL & TRILINGUAL

A two year full-time course, including an extended work placement in Europe, leading to the RSA Diploma for Bilingual Secretaries. (Tripping requires 2 'A' level passes in foreign languages.)

ALL MAIN LANGUAGES ARE TAUGHT BY NATIVE SPEAKERS, SUPPORTED BY AN EXPERIENCED TEAM OF PROFESSIONALS. Our record for successful job placement in the UK and Europe is exceptional.

For further details contact Peter Page on Rugby (0788) 73133 extension 220

Lower, Fulmorton Road, Rugby, CV21 3QS. Tel (0788) 73133

SLS Specialist Language Services (International) Ltd.

ESTABLISHED 1974

- SERVICE Business and technical English Language training Job related individual training Executive Group Course Programme
- LOCATION Courses in England or on site anywhere in the world
- CLIENTS Extensive multi-national client list on request

● CONTACT—John Gray, Sales Director—Europe.
SLS (International) Ltd., Cromwell House, 13 Ogleforth, York YO1 2JG, England.
Telephone: International 44 904 36771.
Telephone: Domestic 0904 36771.
Telex: 57854 SLS I G

ENGLISH

£99 For 60 Hours - Start any Monday

Private tuition (one teacher/one student) £11.50 P.h.

OXFORD HOUSE COLLEGE
(Recognised as efficient by The British Council)
28, Market Place, Oxford Circus, London W1N 7AL
Tel: 01-580 9785 Telex: 25247 Att. OXF

Concorde International

TEAM COURSES
(The Executive & Administrative Management)

Intensive English Language Courses for individuals and groups specialised to client requirements. First class accommodation and facilities in Canterbury City Centre. For a detailed prospectus please write to:

COLIN STONE,
Hawks Lane, Canterbury, Kent CT1 2NU
Telephone: 44-322-65337/451035
Telex: 96302 CILANG G

The most renowned school for French

INSTITUT DE FRANCAIS

Overlooking the Riviera's most beautiful bay
MAKES LEARNING FRENCH
A WONDERFUL & UNIQUE EXPERIENCE

LOGGING IN PRIVATE APARTMENTS AND 2 MEALS INCLUDED

For Adults, 6 levels: from beginner 1 to advanced 11.
Next available 4-week full-day immersion programmes start 5th May, 2nd June and all year.

Years of research & experience in the effective teaching of French to adults

INSTITUT DE FRANCAIS - FTDS, 23 Av Général-Lederc
06230 Villefranche-sur-Mer - Tel: (93) 01-88-44 - Telex: 970989 F

ENGLISH IN COVENT GARDEN

SELS COLLEGE

SHORT AND LONG COURSES
BEGINNERS TO CAMBRIDGE PROFICIENCY
ACCOMMODATION ARRANGED
64-65 LONG ACRE LONDON WC2

Principal: Y. Rios B. Sc. (Econ.) M. Ed. F. IL
Barrister-at-Law

5 TO 9 STUDENTS IN A CLASS. INDIVIDUAL TUITION. 01-240 2681

The Harrap-Financial Times Business English Course

"The most complete Business English course you can buy."

Send for details to:
THE MARKETING DEPT., HARRAP LTD.,
19-23 LUDGATE HILL, LONDON EC4M 7PD.

HARRAP

Edward Arnold

DO YOU

- Use English to do business?
- Need to become more fluent?
- Like practising with cassettes—at home, in the car or in the language lab?

then you need **TERMS OF TRADE**

For a sample cassette, please write to the publisher, quoting ref. FT1188

41 Bedford Square, London, WC1E 3DQ

Study **ENGLISH FRENCH GERMAN SPANISH** in the Country of origin

Courses throughout the year - 3 term summer courses - at our study centres in LONDON STRASBOURG HERDELBERG MADRID
Foreign Language Institute Dept 111
Schiller International University
51-59 Waterloo Road, London SE1 8TX
Tel: (01) 520 8484 Telex: 8812434 SCIL G

TERMS OF TRADE
PACK OF 4 CASSETTES WITH BOOK

THE COUNTRYBAR STORY

English for executives with international ideas

كان اصل الاصل

WEEKEND FT REPORT

Teaching methods

Motivation plays stronger role

EVERY dozen years or so, journals in various parts of the world produce stories to the effect that somebody has developed an effortless way of learning languages. An example was the tale which circulated in the early 1970s that a "Russian Professor" had achieved amazing success with a method called "Suggestopedia."

The key to it was reputedly that the student linguists were kept totally relaxed. They slouched in easy chairs, soothing music played in the background, while their tutor read the study text three times over: first quietly, then loudly, and again in a whisper. At the same time the students did their best to repeat what was being said by the teacher. When they made mistakes, he did not point them out. He just repeated the correct version yet again, softly.

The trouble with such stories is that one never seems to hear of any identifiable person who has learned foreign languages by a method like that, let alone of anybody who teaches them effectively by it. So it may well be that the stories really originate in the ever flourishing human hope that one day soon it will be possible to acquire easily a skill which, for most adults at least, has historically called for dogged hard work which is often tedious and rarely rewarded with rapid progress.

But while language-learning remains essentially a chore, the most recent extensive survey of training for exporting work has revealed some encouraging advances in technique. (The survey was first reported in a

book published in 1984 called Business Studies, Languages and Overseas Trade which, having sold out its initial edition, is currently being reprinted by Pitman's.)

The developments are centred on the teaching of languages as tools of practical communication and, since they appear to have value regardless of the tongue being taught, are presumably as applicable to the extensive business of teaching English to foreigners as they are to broadening the linguistic skills of British people.

An underlying principle of the change in technique is that the use of a language as a tool cannot be divorced from learning to live and cope with a complexity of very real circumstances.

Consequently the teaching not only can but must be divorced from the traditional grammar-based school of language instruction. Its primary aim, as those who have undergone it may well remember, was to drill into heads a series of linguistic forms somewhat as one might lay down a network of pipes, through which it was believed the students would eventually become able both to fill themselves and pass to others a whole gamut of meaning.

Another thing which many if not most recipients of the old style of instruction may have everyday reason to remember is that for practical purposes it did not work too well.

As the survey report notes, the grammar-based style—which still underpins the bulk of language teaching in British schools—was in accord with classical tradition and it certainly served as a stimulus to mental rigour. It did little, however, to enable the learner to speak to a partner in the contemporary foreign language. Those who did gain some mastery either at school or at university, did so not because of their classes but through going abroad, living with pen-friends' families or studying or working there for a substantial period.

Worse, the survey found that "many export staff feel that their school language learning experience was inadequate, a failure and often a deterrent to trying again."

The report goes on to lay much of the blame for such ill effects on the artificiality of the old style of teaching. "We are not in a foreign language community; we do not need the foreign language for intellectual growth; we are exposed to it only for brief moments in a 16-hour day of English language exposure, seven days a week." Far from giving most students the extra motivation they need for the hard slog of acquiring practical proficiency, the grammar-based approach tends to reduce the motivation they brought to the classroom in the first place.

The recent developments in teaching put great importance on at least maintaining the learner's motivation. They also contrast with the old style in having the principle that it is best to start not with the ins and outs of grammatical forms, but

with a context which already means something to even the tyro student. The idea is that within such a context, the learner is better able to build up understanding and expression by exercising the real-life linguistic processes of finding things out, describing, informing and persuading.

Consequently much emphasis is laid on making the activity of learning reflect the real concerns of the student. For example, if he or she is taking the training with the main aim of using the language in a company's business, the learning materials used are of direct relevance to that business. The teaching also involves the student in making active use of the language while taking part in equally relevant business games, role-playing exercises, and so on.

Another key factor is that the students' progress is assessed by their ability to operate in the language at successively more demanding levels of practical competence. To attain such a level they may, for instance, have to demonstrate that they are capable of communicating non-professional with foreign-language speakers in everyday situations on topics of general interest.

Another important point is that the "crash" type of course is thought to be inappropriate for fully effective use of the latest techniques. The training needs to be extensive, allowing the student adequate time for assimilation. One form in use is made up of a highly flexible programmed sequence of four sessions lasting a week apiece in a study centre, interrelated with three-week periods of self-teaching back at the real place of work.

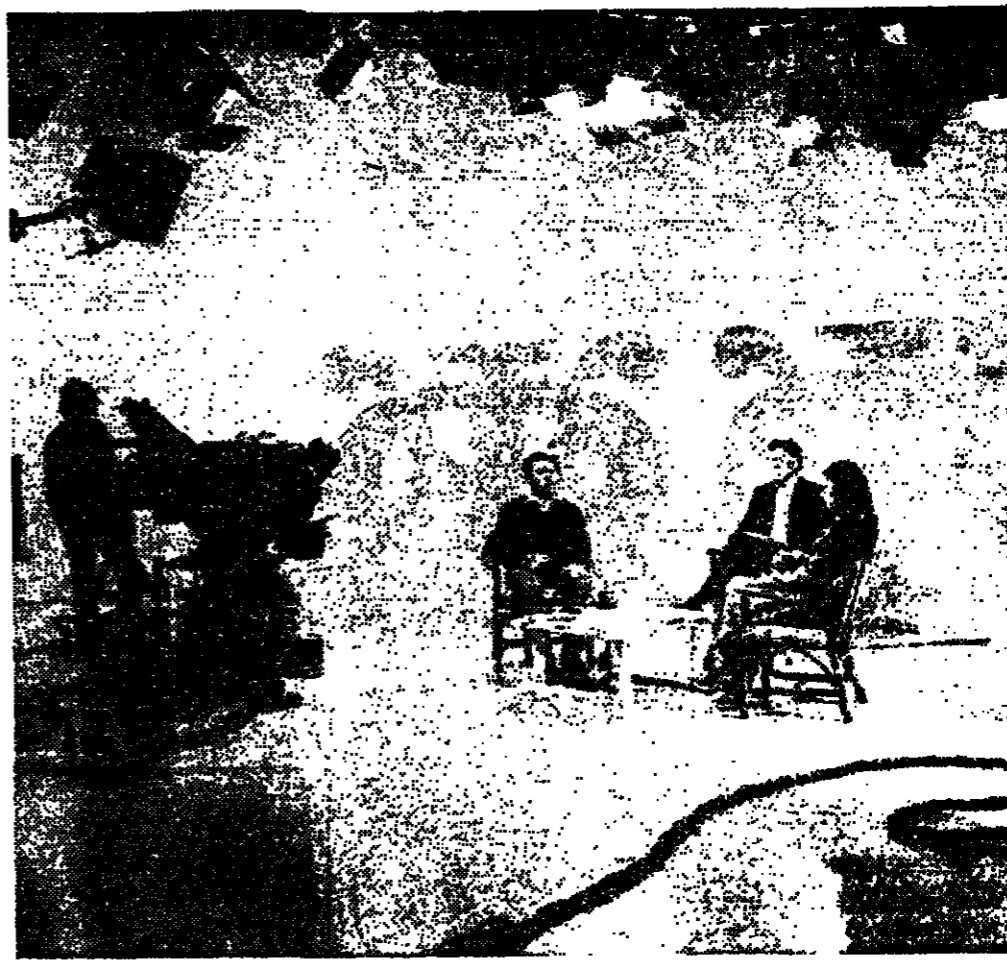
The crash course is not the only teaching device which, although highly trendy only a few years ago, is having its value challenged by the chang-

ing practices. The same is happening to the language laboratory, from which miracles of linguistic learning were expected in the 1960s. It is now viewed as having far more modest capabilities, such as that of getting beginners used to the sounds of a language and helping them to make their first steps in comprehending it.

On the other hand increasing value is being given to other technological aids. Radio and better still television programmes, particularly those made entirely in the language being studied in authentic circumstances using native speakers in their real-life roles instead of actors, are considered highly useful. So too, of course, are video cassettes, cassette recorders, Satellite broadcasts of domestic television programmes from the country where the language is spoken are expected to make an expanding contribution.

But there is believed to be even greater potential in computer assisted study. "The ideal, and easiest, use of a computer is for learning—or better, playing with—grammar," the survey reports. "Heavily inflected languages like German and Russian are well fitted to such exercises: filling in or changing endings, altering the case of articles, substituting plurals for singulars. Tenses and moods can be altered, word order adjusted, and so on."

Computers also offer a further, more fundamental advantage. However hard and ingenious a tutor tries to keep up students' motivation by making the context of the learning realistic, a simulated setting must always be detectably different from the actuality. So long as the things which the teaching requires students to understand and express are not precisely what



The BBC programme Russian Language and People was designed to teach a little Russian and look at daily life in the Soviet Union

Alliance Francaise

LEARN FRENCH WITH THE FRENCH
Day and evening courses
"French at your Desk" & "French à la carte" for companies
We are settled in more than 100 countries, we teach French to adults every year, using the most up-to-date audio-visual method
So why not use our experience?
Enquiries:
Ask for Evelyn or Michel
6 Crownwell Place, London SW7 2JN
Tel: 01-834 1856, 01-589 7377
Other branches in UK:
Bristol, Cambridge, Esher, Glasgow, Milton Keynes, Reading

PCCL FACULTY OF LANGUAGES
Language study at the centre
The Faculty of Languages of the Polytechnic of Central London offers a range of part-time courses which is amongst the widest of any comparable institution in the world. Entry is at beginner, intermediate or advanced level, depending on the language studied.
There are intensive courses in certain languages and various specialised courses, including preparation for the Institute of Linguists and other examinations. In all, over 30 languages are offered.
The Faculty can also arrange special courses, either at PCL or "in-house," tailored to the requirements of companies, public bodies and other organisations.
For further details of the full range of PCL courses in languages, contact:
The Registry, Faculty of Languages
PCL, 9-18 Euston Centre
London NW1 2ET
Tel: 01-858 8811

UNIVERSITY OF CAMBRIDGE
Examinations in English as a foreign language
120,000 candidates in over 60 countries take our prestigious English Language Examinations each year. Details from: The Secretary, Examinations in English, University of Cambridge Local Examinations Syndicate, 1 Hills Road, Cambridge CB1 2EU.

LANGUAGE STUDIES LTD.
London • Brighton • Paris • Madrid
Zurich • Berkeley/San Francisco
Individual and group courses in all languages
In-company tuition • Translations
Free advisory service
01-499 9621
Woodstock House, 10-12 James Street, London W1M 5HN
Tel: 01-252 9393

The Basil Paterson College
School of English
Business & Specialist Communicator Courses
Beginner to advanced level, long or short courses
Unique Edinburgh Festival course
For details please contact:
The Registrar, Basil Paterson College School of English
22 Abercromby Place, Edinburgh EH3 6JH
Scotland • Tel: 031-555 7495

CIEL
IN FRANCE
LEARN TO SPEAK FRENCH BY TOTAL NATURAL IMMERSION
with French participants for 7 intensive days in the DORDOGNE
Château LAVALOUE
tel. 033/91 44 28.11.14.19. CIEL BP 102
24490 LA ROCHE CHALAIS, France

EA
TAKE THE CHANCE TO LEARN FRENCH, GERMAN, SPANISH OR ITALIAN
In the country where everyone speaks that way. Short term courses. All levels. All levels. All levels.
Details from Euro Academy
277a George Street, Glasgow G2 3LB
Tel: 01-551 2505

ST GODRIC'S COLLEGE LONDON
Summer Courses in English
Business Studies
Secretarial Courses and Language Training
Residential and Day Students
2 Arkwright Road,
London NW3 6AD, England.
Tel: 01-435 9831 Tel: 25589

FOREIGN LANGUAGE SERVICES!
THE ONLY AGENCY ON INTERNATIONAL BUSINESS
Our Tutors Visit You
Tailor Made Language Tuition
For Business People
01-263-3996
01-263-7361

English for foreigners
UK sets high standards

HOWEVER bad the British are at speaking other nations' languages, they have a claim to be the world's best at teaching their own to foreigners. Indeed, if the UK's economy is suffering because of its citizens' linguistic laziness, some of the blame must be laid on the country's schools specialising in teaching English as a foreign language, known as TEFL schools.

Most business people's excuse for not learning other tongues is to say they can do perfectly well without them because English is the business language of the world. The TEFL schools have played an important part in making it so.

Nobody knows precisely how many of them there are. Like butterflies, a good many come into existence only for the summer when mostly young people flock to Britain, particularly from the Continent to spend part of their holiday learning English. The best estimate of the number of UK-based TEFL operations, including both purely seasonal and all-year-round schools, is somewhere around 500. Most are private enterprises.

Taken as a whole, they are currently doing less well than in the mid-1970s although better than they were half a dozen years ago when they were hit by the rise in the pound's exchange rate. Even so, in 1984 the 170 schools belonging to the main TEFL association brought in an estimated £60m of overseas currency.

The majority are operations whose stock in trade is courses in general English. But an increasing number are also offering tuition in English for special purposes, and some concentrate entirely on the specialist end of the trade.

Compared with the general

English sector, the specialist operations seem to be holding up better. The indications are that their market has not declined but diversified. As a result, while most of the special-purposes offered concentrate on various aspects of business management, some have become very narrowly focused.

Reports from the general sector suggest that since the boom of about a decade ago there has been a particular decline in students from the Middle East, and from South America which once provided the all-year-round operators with their main support in the winter months.

But such declines are not being felt by everybody, not even by schools teaching solely general English. One, which prides itself on keeping a balance of different nationalities in each of its classes, even complained about having too much demand from the Middle East.

Part of the difference from other individual schools to another is probably because the TEFL community has considerable variations within it. In the main, charges for general courses are much the same: around £60 weekly for tuition plus £40 for accommodation in recent years (special-purposes programmes, though, vary, tend to be priced much higher).

Yet of the schools offering very similar products, some have charity status and so are exempt from the VAT which the British Government, unlike most others, levies on businesses in the language-teaching field.

While the VAT is supposed to be paid by schools which operate on the UK mainland even if they are owned abroad, some evidently still avoid the tax. They therefore gain leeway

to run their UK-based courses at lower prices than those of their British-owned competitors. Moreover, since the fees are paid to the overseas headquarters, the result of the price-cutting afforded by the VAT loophole is an all-round loss to Britain. Its Government does not collect the tax, its commercial schools lose business, and the foreign exchange they might have imported goes elsewhere.

TEFL businesses also suspect that they are suffering at governmental hands through the rapid growth of competing courses in public-sector colleges. Officially these are not allowed to charge below-cost fees for such courses. But private-sector operators suspect that certain state colleges use so-called creative accountancy to subsidise their courses clandestinely. Some are said to charge only half the tuition fees normal in self-financing schools.

Their representatives are compiling evidence of fee-subsidising and VAT-avoidance to submit to officials, but have little hope of corrective action. For all the talk of Mrs Thatcher's Government about championing private enterprise in matters educational it seems scarcely less committed than its Labour predecessor to public-sector protectionism.

To judge from their public statements at least, although UK commercial schools are needed by the home territory, they have no fears about TEFL operations growing up overseas. Schools in the US and Australia, for instance, are said to teach less professionally to bigger classes and so are unable to produce such good results in so short a time.

There are nevertheless signs

that overseas TEFL is now cutting the demand for courses on the UK mainland. For example, part of the fall in custom from Arabic students is attributed to the setting up of in-house courses by organisations in the Middle East.

Not all overseas-based TEFL represents a loss of business to British operators. With the aid of the World Bank China is spending US\$2m over three years on courses in Beijing and Wuhan providing language tuition for agriculture teachers so that they can update themselves technically by reading for postgraduate degrees in English-speaking universities. The language tuition is being done on contract by a UK school which sends out teachers in batches of 20 at a time.

Even so, many of the native British TEFL tutors who work abroad are helping foreign-based schools to compete with their UK counterparts, often under distinctly English sounding names.

One self-exporting tutor I met on a cross-Channel ferry recently was on his way to join the Manchester School of English in Spain. Since I come from Manchester, the school's name gave me a vision of Spaniards being expertly taught to say things like: "Are y'all right then, lad?"

When I said so to the outward-bound tutor, however, he gave me a stern look. The organisation he was joining taught only the best approved version of the language, he replied. If it taught the sort of provincial phrases I mentioned it would be called, not the Manchester School of English, but the School of Manchester English.

M.D.

Linguarama gets you talking
With a network of over 40 schools throughout the world, Linguarama offers business executives a comprehensive range of foreign language courses either in the UK or abroad.
These include Individual Tuition, Executive Group Programmes, Residential Programmes, Specialised Technical Programmes, Testing & Assessment Services, Intensive & Part-time Courses and In-Company Group Training.
Head office and all enquiries:
Linguarama Ltd
83 Pall Mall, London, SW1Y 5JH
Tel: 894623
01-930 7697
UK Schools in:
London, Birmingham, Manchester, Stratford-upon-Avon, Winchester, Portsmouth
"Language training for business"

To Do Business
Learn The International Business Language
Established in 1953 and the largest British based organisation of its type in the world, International House offers in London, or abroad, short, intensive Executive Courses in Business English for business and professional people.
International House
106 Piccadilly
London W1V 9FL
Tel: (01) 491 2598
Tel: 299811 ENGINT G

THE LANGUAGE CENTRE OF IRELAND
English for Business and Professional Purposes
Specially designed courses
Professional Teaching
Excellent Study Environment
Close links with Local Commercial and Industrial World
Information from: The Language Centre of Ireland
9/11 Orliffon Street, Dublin 2, Ireland
Tel: 718266 Tel: 30498

LANGUAGES FOR BUSINESS
CHINESE & ARABIC
All European Languages
Executive English Courses
Evening and Weekend
Wembury Road, Oxford
Tel: Oxford 53317
Tel: 0147 8870/088

GERMAN TUITION
at your office or home by German lady. Experienced teacher and a specialist in the direct method and in business language. Weekend courses can also be arranged
For my competitive rates:
TEL: 01-436 1704

One to One specialists in all languages
ASL
Tel: 01-727 6699

GERMAN COURSES IN AUSTRIA
Esser 'O' & 'A' Level
Summer - Beginners to advanced
Vienna/Salzburg/Graz
ANGLO AUSTRIAN SOCIETY
46 Queen Anne's Gate
London SW1H 9AU
Tel: 01-222 0366 - Anel 068

No other book gives such comprehensive and practical guidance to business correspondence. A Handbook of Commercial Correspondence provides instant access to information that will help your commercial writing become even more effective. Every form of written communication likely to be used in a business context is covered, including letters, memos, telexes, and telegrams. Hundreds of examples based on authentic transactions are given, providing detailed understanding of business practice and commercial institutions.
A Handbook of Commercial Correspondence comes from the English Language Teaching Division of the Oxford University Press. Our ELT books combine the unrivalled reputation of Oxford publishing with the most up-to-date language teaching methods. They cover English for business, commerce, and other professional purposes, for science and technology (including English for computer science, and for the telecommunications industry), dictionaries, courses, grammar and usage, books for teachers, and a wide range of supplementary materials. If you would like a copy of our catalogue, or have any difficulty obtaining Oxford books, please contact:
ELT Sales and Marketing Dept,
Oxford University Press, Walton Street, Oxford
OX2 6DP. Telephone: Oxford (0865) 56767.

UNIVERSITY OF EDINBURGH
PROFESSIONAL LANGUAGE PROGRAMMES (EFL / MODERN LANGUAGES)
Individual/small group programmes (all year)
★ 20 hours (two weekends) from £95
★ Flexible time/dates/location
★ In-company U.K. or abroad
★ Thorough needs analysis prior to course design
★ Pre/post course study packages
★ Individual learning styles/experience catered for
Summer programmes
★ 20-hour week from £105
★ Medicine/Law/Business Studies
★ Language Teaching Methodology
★ Sales and Marketing
★ Travel and Tourism
Phone/write for brochure(s) specifying language(s):
Institute for Applied Language Studies,
University of Edinburgh,
21 Hill Place, Edinburgh EH8 9DP
Tel: 031-667 1011 ext. 4592/4596

BREAKTHROUGH LANGUAGE COURSES
Effective and enjoyable language learning
★ 5 beginners' courses for expressing vital travelling needs
FRENCH • GERMAN • SPANISH • ITALIAN
£19.95 (incl. VAT) each Book and cassette packs
★ 2 refresher courses for improved ability and all-round conversational skills
FURTHER FRENCH • FURTHER GERMAN
£25.00 (incl. VAT) each Book and cassette packs
Supported by intensive study courses at Brighton Polytechnic
For full product and study course details, write to:
The Languages Department, Pan Books Ltd,
18-21 Cavaye Place
London SW10 9PG. Tel: 01-373 6070

Financial English
The advanced English course that extends your business vocabulary
Package price: £24.40 (Text book and 2 audiotapes)
Available from BBC World Information Centre and Shop. For more information write to: BBC World, P.O. Box 76, Strand, London WC2B 4PH. Telephone: 01 257 2575. Open: Mon-Fri, 9.30-6.00
Also available, the complete range of modern language courses published by BBC Publications.
The Economist PUBLICATIONS and BBC English courses

London's most up-to-date apartments were designed in 1837.

Based on Thomas Cubitt's original 1837 designs, Bessborough Gardens will be a luxury development of 1, 2 & 3 bedroom apartments and 2 & 3 bedroom penthouses.



Prices range from £125,000 to £350,000. For full details of this rare investment opportunity contact CHESTERTONS CENTRAL LONDON.

High rents for top flats

THE TOP end of the residential rental sector in London has shown spectacular growth since the early 1970s. It largely consists of lettings between six months to three years to international banks and multinational companies for their expatriate executives seconded to London.

Add the turnover of tourists, overseas investors, people needing temporary accommodation while waiting for a new home, and there is constant activity all the year round.

Overseas business people look for the short lets. Ironsides' Market Report (£14.50 from Jacqueline Ironsides, 51 Beauchamp Place, London, SW2), shows that first-choice locations are still in London's south-west corridor.

The survey, computed from 1,300 questionnaires sent to landlords, tenants, companies and diplomatic missions, shows that only 11 per cent of landlords are prepared to accept private tenants.

The demand for newly furnished premises demonstrates the increasing expectations of tenants for quality. Most families expect two bathrooms, and some would now like an extra kitchen for a nanny or au pair.

Landlords prefer to supply maid-service to ensure a place is kept in good condition, but tenants often find it expensive. There is an unsatisfied demand for unfurnished accommodation, particularly for Americans who like to bring their own things.

Six months later an apartment bought for £340,000 is on offer at £595,000 including furnishings, with a serious bid in hand, says Anthony Lassman.

Another £65,000 plus 25 per cent service is charged to have a snack sent up from the restaurant. But alarm calls from the hotel operator are free. More details from Sheila Hyams, Lassmans, 01-409 2020.

PROPERTY

For those with £75,000 or so to invest Orr-Ewing Associates, headed by Robert Orr-Ewing at 110-112 Kings Rd, SW3, will see the whole operation through.

As an example, about 18 months ago, the firm bought a flat in Eaton Place on behalf of a Chelsea businessman. On the second floor with no lift, the flat has two living rooms, a double bedroom, kitchen and bathroom, and cost £77,000.

Work was carried out between exchange of contract and completion, and the flat was immediately let for £220 per week, now increased to £295.

Phillips Kay and Lewis handles rental income six weeks of £2m a year, letting over 500 houses and flats each year, many of which are under full management.

Gerald Kay and Harold Phillips who started this agency arm of the PKL group in 1985, have produced a Guide to London Residential Investment. (PKL, 59 Markham St, London, SW3).

These include checking of references and safeguarding landlord's interests, careful inventories of contents, the question of deposits and rent and tax matters.

The right insurance cover is important for an absentee owner. The Expatriates UK Home Owners' insurance policy provides cover while an owner is living and working abroad.

For a house the cost is £140 per £1,000. The premium on contents vary from £10 per £1,000 in the London postal districts W1, NW1, W2 and W8, WC1, SW1 and SW3. The remainder of the GLC area is £7.50, and other areas vary between £3.50 and £5.

Preferred requirements are that the home should be self-contained with its own lockable entrance, and that burglar alarm systems are always working — the same goes for the central heating in the winter.

June Field



Five bedroom, 3 bathroom house at Hyde Park Gate, SW7, to let around £1,500 a week

For those with £75,000 or so to invest Orr-Ewing Associates, headed by Robert Orr-Ewing at 110-112 Kings Rd, SW3, will see the whole operation through.

As an example, about 18 months ago, the firm bought a flat in Eaton Place on behalf of a Chelsea businessman.

Work was carried out between exchange of contract and completion, and the flat was immediately let for £220 per week, now increased to £295.

Phillips Kay and Lewis handles rental income six weeks of £2m a year, letting over 500 houses and flats each year, many of which are under full management.

Gerald Kay and Harold Phillips who started this agency arm of the PKL group in 1985, have produced a Guide to London Residential Investment.

These include checking of references and safeguarding landlord's interests, careful inventories of contents, the question of deposits and rent and tax matters.

The right insurance cover is important for an absentee owner. The Expatriates UK Home Owners' insurance policy provides cover while an owner is living and working abroad.

For a house the cost is £140 per £1,000. The premium on contents vary from £10 per £1,000 in the London postal districts W1, NW1, W2 and W8, WC1, SW1 and SW3.

Preferred requirements are that the home should be self-contained with its own lockable entrance, and that burglar alarm systems are always working — the same goes for the central heating in the winter.

June Field

June Field

June Field

June Field

June Field

June Field

June Field

June Field

Strutt & Parker 01-629 7282. MUST SELL — OFFERS INVITED. INVESTMENT FARM, 337 ACRES DAIRY FARM, Dorset.

Apartment with 2 bedrooms and 2 bathrooms in Grosvenor Square, W.1. Three bedroom, 2 bathroom flat at Rosebery, Charles Street, W.1.

Aranco 01-638245. DISCOVER US Meet the Developers of Marbella's Best Properties. The RITZ, Piccadilly.

CLUTTONS. Alfriston, East Sussex. Leaves about 8 miles. Eastbourne about 6 miles.

YOU WOULD BE WELL ADVISED TO VISIT OUR DEVELOPMENT BEFORE BUYING ELSEWHERE. ST. TROPEZ.

Would you like a 3 day visit to Majorca? Enjoy a mini-holiday in Majorca, getting to know the superb new marina of Puerto Portals.

SWITZERLAND. Attractive 2 to 5 room apartments available for foreigners. In typical Swiss chalets.

PUERTO PORTALS. A luxurious detached house in Belgium situated on a quiet residential street.

FOUNTAIN FORESTRY. FORESTRY INVESTMENT West Devon 57 acres. Mixed woodlands needing considerable expenditure.

ONE OF THE MOST BEAUTIFUL VILLAS in BELGIUM. A luxurious detached house in Belgium situated on a quiet residential street.

SPAIN, CANARY ISLANDS. PORTUGAL, MADEIRA, ITALY, GIBRALTAR AND FLORIDA. SPAIN - New/Re-sale in Lanzarote, Tenerife, Costa Blanca, Costa del Sol.

SAVOY APARTMENTS LONDON WC2. The first of London's most exclusive in this new luxury development.

FLATS AND HOUSES FOR SALE AND TO LET throughout the docklands area. Tel: 01-790 9560.

Wanted. WANTED - Mansion, Hall or House with Boarding School. See White Pages 1986.

URGENTLY required good quality properties for families being transferred to London. LONG LETTINGS - GOOD CORPORATE TENANTS.

Anscombe & Ringland. FURNISHED RENTALS. A Selection from our Register.

COTTESMORE GARDENS, KENSINGTON, W.8. A rare opportunity to acquire a substantial Freehold Residence in one of the most desirable areas of London.

LEGAL NOTICES. No. 001008 of 1986 IN THE HIGH COURT OF JUSTICE.

SWITZERLAND. A complete range of properties for sale throughout Switzerland.

Kathini Graham. SPECIALISTS IN HIGH QUALITY RESIDENTIAL PROPERTY.

MAYS RENTALS. Quality Houses and Flats in SW London, Surrey, Berks.

LIPFRIEND and Co. For quality residential letting in all London & Country areas.

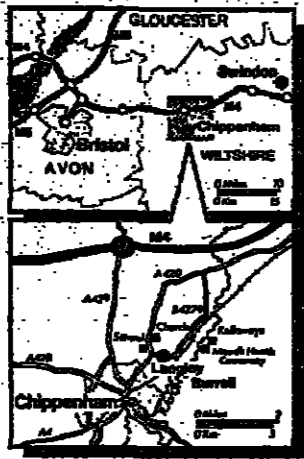
Handwritten scribbles at the bottom of the page.

Arnell not 50

TRAVEL · MOTORING ·

Anthony Greenstreet discovers Victorian Wiltshire
Gems in a churchyard

HOW MANY people, tearing down the M4 west of London, know the charmed land lying three miles south of Junction 17? The magic is loosed through the diary of Francis Kilvert, a Wiltshire curate in Victorian times.



Find Langley Burrell church on the A420 to Chippenham, and enter the churchyard by an iron wicket gate. A "feathering larch" swept over it in Kilvert's day. An old larch stands there still. Once inside the churchyard, you are in the 1870s.

12. named Limpdy Buckland; with the other pall-bearing boys, he received a shilling from her mother.

Outside, in the corner by the yew and close to the churchyard wall is the spot shown to Kilvert by John Hatherell, a lawyer, where in 1808 Hatherell helped to bury a gipsy girl of

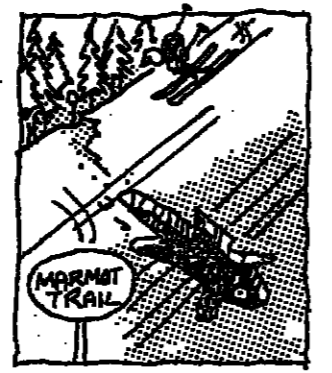
Continue to Kellways Mill by the Avon. From here, an exquisitely-named pauper brought watercress to the rectory. Kilvert wrote: "He said his name was Summerflower, that he had fasted since yesterday morning, and that he could buy no breakfast before he had got watercresses to sell."

By the bridge is an arched stretch of Mond's Heath Causeway, a Wiltshire wonder. A market woman in 1474 she left a fortune of £3 a year to build and maintain a four-mile causeway to Chippenham. A 17th-century memorial to her stands by — and on its sundial face is a couplet to take back with you to the M4:

Arnold Wilson reports from Switzerland
The marmot of truth on skis

SKIERS be warned: if you molest a marmot in Switzerland, it could cost you SwFr 400 (about £136). And if you are skiing at the "glacier village" of Saas Fee, then be extra careful — because one of the lower runs takes you right through a marmot reserve.

crevasses, which are both sinister and beautiful. However, there are special problems at Saas Fee. Because glaciers are always on the move, it is usually impossible to build permanent pylons to support cable cars and gondolas (the resort has 23 lifts serving 80 kilometres of prepared runs).



was inaugurated in the winter of 1984 and is the highest underground funicular in Europe. It has opened up an extra 20 per cent of skiable pistes and takes you to the Mitteljalp station, at 10,500 ft. Near the top station is Europe's highest revolving

restaurant, which opens this summer. One of the snags about super-imposing a skiing area onto a glacier is that you have to make allowances for the ice instead of the humans — unlike the French purpose-built resorts, which are not as pretty as Saas Fee but are at least built to give skiers maximum ease of movement.



Acceleration skid control (ASR) prevents the drive wheels of this Mercedes-Benz 500SE from losing grip and sliding sideways as it is powered through a snowy bend

Mercedes gets a grip

ELECTRONICS are undermining expertise. Pocket calculators have made mathematicians of us all. Automatic cameras let people who know nothing of photography take perfect pictures. And now those microchips will soon be allowing drivers of modest skill to make brisk but safe progress on snow and ice.

four-wheel drive has weight and cost penalties and not everyone needs it all year round. Cars need differential gears on their drive axle because the wheels have to travel at different speeds on corners. But this also lets one wheel spin if it is on a less grippy surface than the other. This is what the Mercedes-Benz ASD system prevents by locking up the differential when necessary. It knows when to do so because an electronic unit compares the rotational speeds of the front and the driven rear wheels.

drive wheel is spinning due to excess power. First the brake on that wheel is applied, then the engine speed is reduced until grip has been restored. The third alternative is 4MATIC, which is Mercedes-Benz's own version of all-wheel drive for road-going cars. Under normal conditions, the car is driven by the rear wheels only. When the computer detects that one or both of the rear wheels is going faster than the front ones, front-wheel drive is engaged. If that does not make all four wheels turn at the same speed, a centre differential is locked. If, despite all-wheel drive and centre differential lock having been engaged, a back wheel is still spinning, then the rear differential is locked to provide even more traction.

speedometer dial, telling him or her that but for the help of electronics, the car would be slithering to a standstill or sliding out of control. What happens then is up to the driver. Wise ones will be made aware how tenuous is the grip between tyre and road and ease up accordingly. Others will ignore the warning and go through the hedge. There is only so much the cleverest electronics can do to protect motorists.

All the systems are used in conjunction with ABS brakes, which Mercedes-Benz rightly regard as essential in a vehicle which can be driven at fairly normal speeds on a wet slip surface. As soon as the brake pedal is touched, ASD, ASR or 4MATIC is disengaged because ABS can only work on free-rolling wheels. So much for the theory. In practice, I found a Mercedes-Benz 500SE with ASR (acceleration skid control) and a 500E with ASD (automatic locking differential) safe and easy to handle on ice at speeds which made them uncontrollable with the systems switched off.

VW joins 4-wheel fray

AUDI pioneered volume production permanent four-wheel drive with the original Quattro turbo-coupe, now six years old. Now the Volkswagen branch of the family has joined with a rival system of, strictly speaking, two rival systems. Both make use of a British invention, a viscous coupling, which transmits as much or as little power to the second pair of driven wheels as conditions demand. It was first seen in the Transporter Syncro, which has just reached Britain at prices more than £2,000 higher than those of the rear-wheel drive equivalents. That puts a luxury trim Caravelle seven-seater (pictured) into the

Range Rover price class at more than £14,000. It rides beautifully on or off the road, is hardly any thierster than the standard vehicle and is a practical large estate car substitute. The all-wheel drive is automatically brought in when needed. A similar system, but with the front wheels doing most of the work for normal driving, not the rear, is now available on a 90 horsepower version of the Golf hatchback.

Trying the Golf Syncro on some very icy roads in Sweden, I found it exceptionally well balanced. It could be driven with complete security at near-normal speeds on unstudded winter

tyres. When it reaches Britain early next year it will cost about £2,000 more than an equivalent front-wheel driven Golf but this premium will include the Syncro transmission and ABS brakes, the latter essential if all-wheel drive's potential is to be exploited properly.

Stuart Marshall

Holidays and Travel

Overseas

The Magic of Martinique

Or Mustique, Guadeloupe, or other exotic islands. Experience the French Caribbean. The tantalising tropics combined with the best of France. Sailing, skiing, windsurfing. Every water sport imaginable. With bars, restaurants and night-life that are as exciting as France itself.

For more details, ask your travel agent for our brochure or write to 158 New Bond St., London W1Y 0AY.

GIB On Schedule with Service. Now you can fly to Gibraltar by Air Europe scheduled services. Experience British services at its very best when you fly to the Rock. With Air Europa. *Afternoon departures from London Gatwick *Each Mon, Fri & Sun. *Premier Business Class *Lowest economy fares *Free bar service Reservations: 01-651 3611 Write for further details or contact your travel agent. air europe

MOTORING HOLIDAYS IN FRANCE This year even more 2 & 3 star hotels (nearly 300) to choose and a flexible choice of ferry crossings. Flood tours or "G.O.A.S. YOU PLEASE" voucher system. Brochure from: A to B Travel (Dept. F) 11 Palmira Mansions Church Rd, Hove, Sussex BN3 2QA Tel: 0273 810000 ABTA

EXODUS EXPEDITIONS Tracks in Spain, Jaags in Pakistan, blizzards in the Alps, treks in Turkey, Treks to Machu Picchu, Walking in the Himalayas. Choose from nearly 70 adventures from 9-22 days with prices to suit most pockets. If you would rather be a traveller than a tourist call: 01-870 0181 (24 hrs) or write to Dept Ft, 100 Wandsworth High St London SW18 4LE

Hotels U.K. THE DORSET SQUARE HOTEL A FINE 11th CENTURY ENGLISH COUNTRY HOUSE HOTEL. Superior accommodation and excellent service. A bit longer in London. CAROL SMYTH, Tel: 01-723 7874. 100 Wandsworth High St, London SW18 4LE. Tel: 01-870 0181

Self Catering COTE D'AZUR. Cozily, 8 miles from France, charming town house, all mod. cons. Sleeps 6. Phone: 01-794 9978.

Hotels THE DORSET SQUARE HOTEL. A FINE 11th CENTURY ENGLISH COUNTRY HOUSE HOTEL. Superior accommodation and excellent service. A bit longer in London. CAROL SMYTH, Tel: 01-723 7874. 100 Wandsworth High St, London SW18 4LE. Tel: 01-870 0181

SPECIALIST HOLIDAYS GIVE YOUR CHILD A BRIGHTER SUMMER WITH OUR SPECIAL OFFER! A CHILDREN'S HOLIDAY FOR THE PRICE OF ONE OR A WEEK FREE! 101 ACTIVITIES TO CHOOSE FROM. FREE AND DISCOUNTED COMES WITH DISCOUNTED CAMP BEAUMONT West St, Godmanchester, Cambs. Tel: 0480 56123 (24 hrs). DISABLED: Conventional holiday with your family and friends with ABTA. Company of Disabled People's Choice. Tel: 051-236 9763 for colour brochure.

21 YEARS OF REALLY SUCCESSFUL FAMILY HOLIDAYS For 21 years now we've been creating highly recommended and widely praised family holidays. And to celebrate we are making some very special offers. FREE CHILDREN—all summer long children under 14 go free under Canvas. FREE WATERSPORTS—Wind-surfers, Dinghies and Canoes are free. FREE EXPERTISE—Route Planning, Guest Lecturers and 90 page Guide come free. FREEDOM OF CHOICE—Cabins, Cabinettes, Mobile Homes and all mod-cons tents. Brochurelines: Hertford (0992) 59933 or 54667 (24 hours) Canvas Holidays Bull Plain Hertford SG14 1DY

Institut Le Rosey 1180 Rolle (Lake of Geneva), Switzerland presents a prestigious Summer Camp For boys and girls 9-16 years old from 6th July to 5th August 1986. Beautiful chalet setting and watersports centre. French, English, German and Computer classes. 17 sports to choose from. A wide variety of activities and excursions. 1-2 day cruises on the 108 ft sailing yacht. An optional 1 week cultural tour of France. For further information contact the above address or call (01041) 21751537

Cruises COMBINE TWO OF THE WORLD'S GREATEST SHIPS—Q2 AND SAGAFJORD. 19 days from £1995 On April 7 we will fly you to Malaga to meet Sagafjord, the top rated ship in the world. From here you cruise to Cadiz, Madeira and Florida. Then we transfer you to the incredible Q22 to sail back to Southampton in yet more luxury via New York. This unique holiday lasts 19 days and costs from £1995 inclusive. For full details contact Cunard, 30a Pall Mall, London SW1Y 5LS (01-491 3930) or see your travel agent. CUNARD

Flights COLUMBUS CITYLINES BARBADOS. For full details contact Cunard, 30a Pall Mall, London SW1Y 5LS (01-491 3930) or see your travel agent.

BEACH VILLAS Hottest value under the sun Drive to self-catering villa holidays in: S & SW France, Brittany, the Algarve, Costa Verde, Costa do Estoril, Costa Blanca, Costa Brava, Costa del Sol and Italy. Or fly from Gatwick, Cardiff, Newcastle, Luton, Manchester, Birmingham, East Midlands, Stansted, Bristol, or Glasgow to: Menorca, Majorca, Ibiza, Lanzarote, Fuerteventura, Tenerife, Sardinia, Corfu, Paxos, Rhodes, Symi, Crete, Turkey, Eilat, Santorini, Cosco and Antigua. In April, May, June, July or September children aged 2-11 get up to 50% DISCOUNT. 12-16 year olds get £15 OFF, infants go FREE and some free adult places. Ring 0223 353222 (24 hours) for your free 112 page colour brochure. 0223 311113 (Reservations Mon-Fri 9.00-7.00, Sat-Sun 10.00-4.00) Beach Villas Limited (Dept Ft) 8 Market Passage Cambridge CB2 3QR. Based with AGES 315 AGES HILLS WILKINSON ROAD

France GASTRONOMIC BREAKS IN France. Dream days at hideaway hotels with gourmet food and luxurious surroundings. 2 nights (3 days) or more within easy reach of Charming Paris. Your own car, from £75 to £125 per person, incl. ferry, accommodation and memorable meals. Unique choice of chalets and luxury country house hotels with Michelin 3-star restaurants. Phone 01-387 0210 (24 hrs) or send for illustrated brochure: Hampton House Travel Ltd Dept FT2, Hampton, Coombe Ridings, Kingston-upon-Thames Surrey KT2 7JT

Gino & Elena & Ted & Alice... but not Tom Dick & Harry Gino presides over a small hotel in an 11th century palazzo in Ravenna, famous for its good food. Elena owns a villa in Sardinia, overlooking some of the loveliest beaches in the Mediterranean. She rents it to Alice, who loves Italian food and wine; prefer hotels where the manager knows their name; and believe we have the best selection of unusual villas in the Med. Join the magic circle this year. FREE brochure from: MAGIC OF ITALY Dept FT, 47 Shepherds Bush Green, London W12 9FS Tel 01-749 7449 (24 service)

Motor Cars E.T.L. Motor Brokers Ltd. THE PRICE IS GUARANTEED and includes the following: 3 months' unlimited mileage (any colour) with 12 months' unlimited mileage. 3 years' unlimited mileage (any colour) with 12 months' unlimited mileage. 3 years' unlimited mileage (any colour) with 12 months' unlimited mileage. SPECIAL OFFER Ford Fiesta XR2 £5275 on the road

Restaurants MAHARANI INDIAN RESTAURANT ESTABLISHED OVER 27 YEARS Recommended by TIME OUT Capital Radio and many other papers Voted best out of 100 various chosen restaurants in 1983 SPECIAL SUNDAY BUFFET LUNCH! £5.75—as much as you can eat! 117 CLAPHAM HIGH STREET LONDON SW4 Tel: 01-822 2530

WANTED 1985 ROLLS-ROYCE Silver Spirit 5.3 litre in mint condition. 30,000 miles. 1200 cc. The best purchase of this car for the money. Call 0208 342777. Sunday and evening: Mr John Thurman on Leeds 862625 Appleyard Rippon BITTER SC COUPE 1986 MDL—Gold with 5271 registration. Call now 01-749 7449

Concorde BARBADOS There are just a few seats available on our special Concorde flight to Barbados on March 28th. Fly one way British Airways 747 and one way Concorde or superior both ways. Holidays from £1,400 to £3,000. Or Concorde flight only for £1003. Ask your travel agent or send for the Kuoni Worldwide brochure. Kuoni Travel, Kuoni House, Dorking, Surrey (0206) 885044

Winter Sports SKI LES ALPES mid-season. Special Voucher price! Midweek 5-7 from £130 per person. 8-10 from £150 per person. 11-12 from £170 per person.

DIVERSIONS

Starting from Scratch

Ringling in the new

I WEND my way up a narrow, spiral staircase to meet my fate in a bare room, about 12 ft square, to find not one but five ropes. They are thinner than I had expected, but one day, I hope, I shall swing easily from one of them.

The ropes dangle in the tower of All Saints Church, All Cannings, a village that proudly holds the title of Best Kept Medium-Sized Village in Wiltshire. Mr Jim Burry, a 62-year-old mechanic, is showing me the ropes of bellringing.

First, he tells me, I had better find out what is on the other end of the rope I am to hang on to. Up another flight of steps to the belfry, where the five bells await the call of duty.

I am baffled by the sequence of ropes and wheels, and by the fact that the bells appear to be upside down, although this turns out to be what is known as the "down" position. Mr Burry patiently tells me about the clapper (that is the piece inside the bell that does the striking), the stay, the wheel and the slider, but already I have lost the tune of what he is explaining; no fault of his.

The treble bell, the lightest, was made by Roger Purdew in 1926 and weighs just over six hundredweight. The tenor bell, recast in 1887, weighs slightly more than three-quarters of a ton. The other three bells, dating from 1711, 1826 and 1896, weigh, roughly, seven, nine and eleven hundredweight.

The system thus explained, if not understood, is put into action. Mr Burry shouts down stairs for one of the ringers to give a backstroke. I always thought "backstroke" meant that whoever was doing it was aiming straight at me in a swimming pool and not looking where they were going. Not so. One of the bells turned over and I just blocked my ears in time.

We return downstairs to the ropes. My illusion that bellringing is just a case of pulling

and then the sound comes out is swiftly shattered. Mr Burry shows me how to hold a rope. Each rope, about half an inch in diameter, has a tail-piece about six feet long, leading up to a thicker, woollen piece about three feet long, called a sally. Then the rest of the rope runs up to the belfry.

Mr Burry is making it easy for me. He will look after the sally; I just hang on to the tail-piece and pull it down again when the rope goes up. Let the rope go up to my arm's length, then pull it back down again. What could be simpler?

Mr Burry pulls. The rope goes up. My arms go up. My legs go up. My ankles and heels go up. I am on tiptoe. And the bell tells me: "Don't ring me, I'll ring you."

Mr Burry adjusts my grip on the tail-end and my feet positioning on the floor. After a short time the single chime of the treble bell is ringing across All Cannings.

The ringers have arrived for their practice on a snowy Wednesday night in January. I can see how it is done properly. Ruth Chadwick takes the lead on the treble bell. The band stand ready at their ropes. Ms Chadwick calls out: "Look to, treble's going, she's gone."

Another surprise for me: each ringer is looking after the tail-piece, the piece I was holding on to when I thought I was on an unscheduled flight to outer space, and the sally. They build a rhythm, pull the sally, release the rope, retrieve it with the tail-piece, two hands back to the sally, pull, release, retrieve.

They don't look up, just sideways occasionally, to check that they are in time. Mr Burry, on the tenor bell, keeps an experienced eye on his ringers, and after a few minutes calls an end to the round.

Then they move on to more complicated ringing. Ms Chadwick leads off again, but this time, Mr Burry, on tenor, punctuates the rhythm with a few elementary instru-

ctions: "Bob," "Single," "three-one," "four-two" and so forth. Still the same rhythm, eyes ahead, arms up and down controlling the rope. I am witnessing teamwork at its best.

Boxes are brought out, to make a platform under the treble bell-rope. The member of the band who has so far not run steps up.

Helan Ingleson, aged 12, places two hands on the sally, checks her balance and says: "Look to, treble's going, treble's gone," and leads off a round. I watch with admiration and amazement.

Mr Peter Wilson, 35, an electronics components salesman, has been ringing at All Cannings for four years. He told me: "I have always liked the sound of bells and I have never lived near a bell tower before. It's part of life in the village, and anyway, I'm not really eligible for the Women's Institute."

Mr Jim Burry, captain of the bell tower, has lived in All Cannings all his life. He first rang the bells there in 1937. He took up bell ringing seriously when his father became captain of the tower in 1960.

He is seldom without his Bell Ringer's Diary, with its exhaustive list of changes, the permutations of ways in which bells can be rung.

He told me: "I started because I was fascinated by the ropes and the bells. But I admit it can become a bit of an obsession. It's teamwork, that's the whole thing about it, team work and exercise."

Not all bell-ringers are regular church-goers, but it is important to remember the advice in the beginner's handbook: "You must remember that the ringing takes place in God's House and you must act accordingly."

Ian Blunt

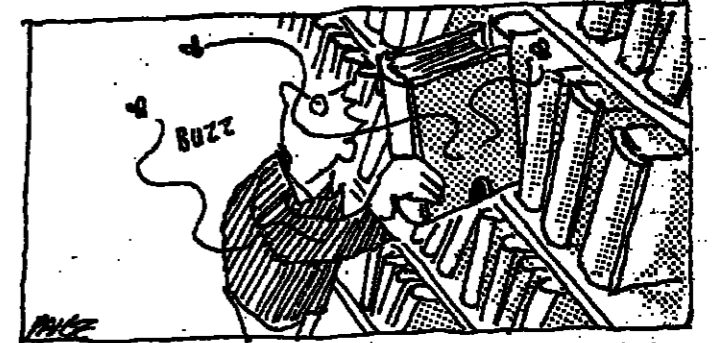
Further information about bell-ringing can be obtained from Mr David Thorne, editor of *The Ringing World*, Penmark House, Woodbridge Meadows, Guildford, Surrey. 0483 69535.



Ian Blunt hangs on every word as Jim Burry shows him the ropes.

Antiquarian Books

Good enough to be eaten



OLD BOOKS are robust. The best were produced long before we were born and will still be giving pleasure centuries from now. The rag paper from which they were made until the 19th century is far more durable than most modern wood-pulp paper. The bindings are also stronger and more securely fastened. But like all human beings and all artifacts made from vegetables and animals—books are subject to change and to decay.

If you are a librarian, you will rightly be pressing for a special building to be constructed with controlled environment and controlled access. Otherwise the best place to preserve your collection is in a Scottish castle. Your guests may not like the cool clean slightly damp air blowing consistently into every corner of the house, but neither do the pests.

The books from the Colquhoun of Luss library which were dispersed at a big sale a couple of years ago are the most perfect I have ever seen. The 18th century paper is as white as the driven snow on the side of Ben Lomond and the full calf bindings are as smooth as glass. You could take the original owner's fingerprints from them. A few are offered in the recent catalogue of John Smith & Son, 57 Vincent St, Glasgow.

Another collection of which you still occasionally see examples in the bookshops contains the bookplate of John Rutherford Esq, of Edgerston, which sounds like Scotland or Northumberland. They too are in almost perfect condition after 200 years.

Books not only slowly rot: they are eaten by worms.

"Through and through the insidled leaves

Ye maggots make your windings;

But Oh! respect his Lordship's taste.

And spare his golden bindings."

Aristotle described the suspect insects he found among his

own books as the smallest of all creatures shaped like scorpions without tails. Hooke's *Micrographia* of 1667, the first mention in English, described the culprit as a small glistening pearl-coloured moth. In fact as I learn from a recently published monograph there are many dozens of species of ants, spiders, moths, lice, mites, and other creepy crawlies intent on devouring our heritage.

Norman Hickin's *Bookworms, The Insect Pests of Books* (Sheppard Press £15) describes them all in zoological detail and gives advice on how to defeat them.

In this country we are fortunate. Provided the shelves are kept clean and dry and the books taken down from time to time—perhaps for reading—the little monsters keep away. The main thing is to make sure that the air is circulating which is seldom a problem in draughty British homes. If you can do without dogs, pot plants, and carpets, so much the better.

In warmer countries insect pests are a much more serious threat. I have seen books taken to India or the Far East which are so eaten up as to be scarcely readable. They look like the hollowed-out bibles that HM Customs are always showing on television after a successful drugs swoop.

Dr Hickin gives careful advice on the design of library buildings, including the need in some cases to maintain a poisoned no-go area round the outside. The books themselves can be

cleared of visitors by fumigation or by a new deep-freeze technique.

As we remember at this time every year the worst hazard is water. Burst pipes, leaky roofs, overflowing gutters. If the outside gets wet it is a disaster, but with the help of the insurance money the volumes can usually be restored or rebound. But if the insides become sodden there may be nothing worth preserving.

When water got into the library of one of the famous London clubs recently, the members of the library committee were immediately called in to help with the emergency work. Anthony Curtis literary editor of the *Financial Times* was among the rescuers. They put pieces of white kitchen roll between each of the damp pages and changed them frequently as the moisture was absorbed.

With some books the interleavings were replaced five or six times until the books were completely dry. They were then sent to the Guildhall Library who kindly allowed their fumigator to be used. This dealt simultaneously both with the pests and with the risk of fungus.

Quick thinking prevented a catastrophe. As with all first aid measures every minute counts. I intend myself to keep a few spare kitchen rolls of my own in the cupboard alongside the fire extinguisher.

William St Clair

Country Notes

White in tooth and claw

AFTER WHAT was said to be the sunniest January of the century, when I went looking for the spring in the West Country, my premature joy has been abruptly changed. A combination of frosts, lows and highs in the wrong places have made country life a misery. Snow by itself is not too bad as long as there is not too much of it—a coating of a few inches will shelter crops of grass from subsequent frost.

Unfortunately most of our snow has gone and except on the north facing slopes the bare land is turning rock hard, and the grass, young wheat and barley are losing the nice cream colour about which I was lyrical three weeks ago. Blue with cold would be a good description, and the spring looks a long way away.

While the snow was lying I walked round the farm to have a look at the wild life and the vegetation which had been showing signs of precocity. The hazel catkins which had been opening up well are now closed tight, and the leaf and buds on the elder and hawthorn which often show movement in February are still in their winter sleep.

But while plants and trees seem to be able to organise their growth according to the weather, the reproductive cycle of wildlife, once started, has got to go on. The rabbits have got off to a good start and most of the occupied buries are well-populated with young which are easily seen in the snow. Rabbits usually breed in stops, shallow one-way tunnels dug in the fields, but in winter seem to prefer their established

buries. I hadn't thought there were many rabbits about, but almost any hedge showed tracks in the fresh snow. They make long journeys across the fields and one had even ventured into the garden. However the snow enabled me to track it back to the hole in the netting through which it had trespassed.

The rabbit has one of the shortest reproductive cycles of any animal, and size of litter was pleased to see the corpse of one which had obviously had myxomatosis being eaten by crows. This disease has done a great deal to keep rabbit populations in check although it doesn't have the impact it had when it first arrived 30 years ago. It is still, I believe, the most humane way of controlling them.

We have a particularly nasty strain of crows around at the moment. Wow betide the ewe which gets on her back when she is heavily in lamb. The crows which shadow the flock will try and peck her eyes out. These birds and the rooks will also finish off many of the winter lambs which might otherwise survive.

There are bigger predators around. Foxes are all too plentiful and following their tracks in the snow you can see that they don't leave many hedge-rows unpatrolled. They have been seen to take quite lively lambs and you can find the bones and heads of their victims and their empty skins by the earthen and in the thick patches of thorn and bramble where they lie up to enjoy their meals.

Pheasant and partridge shoot-

ing ends on February 1 and immediately the survivors of the season are to be seen, not just by their tracks in the snow, but wandering round quite fearlessly as if they can read the calendar. I have seen several cock pheasants fighting to establish territory, but the hens are more secretive.

When the snow first came the partridges were still in coveys but over the last week or so they have paired off. It used to be thought that partridge coveys had to be split up during the shooting to avoid the effects of in-breeding, but I doubt if that is the case. A pair always brings off a brood close to the garden and it usually survives until the end of the season, when all but one pair disappear to mix up with other groups further afield.

There has been a marked change in the behaviour of the rooks which should be regaining their nests not far from my window. During the last 50 years the rookery has moved from a neighbour's woodland to my elm trees, and then to beech trees, about 10 years before Dutch elm disease struck.

But now the rooks have left the beeches and moved a few hundred yards to some oak and ash. It seems that we are about to lose the beech trees which are 150 years old and the rooks are getting prepared in good time. I doubt if there is a beech disease. I think it is just the trees have a life span like everything else.

But not to be too depressed. My seven elm saplings, survivors of several hundred, look well and have been growing.

John Cherrington

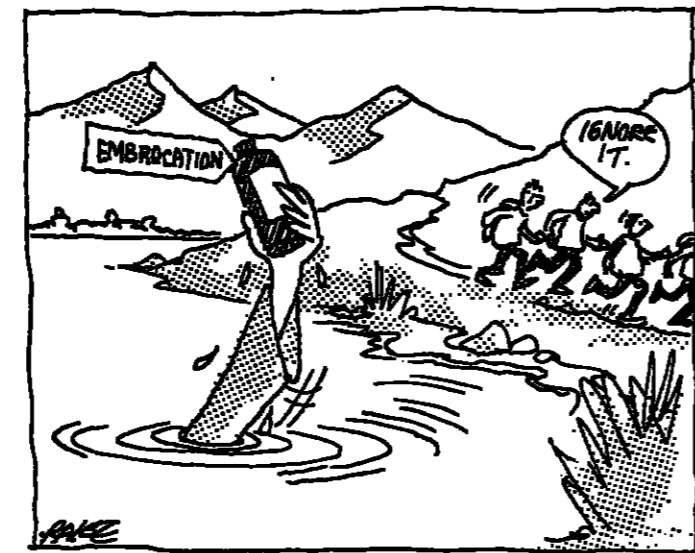
THE PROSPECT of running over falls in the Lake District, in winter, with enthusiasts, intrigued me. Surely there could be no purer form of discomfort round off an exhausting week. The invitation from Mars, of Bars fame, to a "training weekend" in preparation for the London Marathon promised everything.

Chris Brasher, Olympic gold medalist in athletic enthusiasm, would lead the way. Charlie Spedding, Olympic marathon bronze medalist, would bring up the rear. No slackers in between. Lousy weather forecast. Terrific.

So last Sunday morning found me and several highly motivated colleagues sprinting along Blea Rigg, 1,000 feet above Great Langdale. Running through snowdrifts over rocks is fun—your thighs smoulder with the strain and you never know which ankle will turn over next. Nor can you admit fatigue following the Sherpa-like gait of Norman Walker, truck-driver, fell-runner extraordinaire, president of the Ambleside Athletic Club, a fount of bleak humour about the alternative routes to physical collapse available to us.

There were disappointments. There was no sodden sleeping bag in the warmth and friendliness of the Eidermere Country

After you, Sir Bedivere



House hotel. The food and baths were hot. Messrs Spedding and Brasher turned out to be disappointingly pleasant and easy-going. The latter, moreover, had a worrying tendency to slow to a walk in order to appreciate the finer points of the landscape around him.

Indeed, the rigour of the weekend was undermined by the beauty of our runs, because the expected blizzard failed to show. Once, we ran with whooping lungs over the crest of a mountain called Loughriggs and were physically stopped dead by the view. Grasmere, the lake below, reveals them in a different light.

Most of us are familiar with brush new offices which result in chaos, not better work.

The report also claims that the rural environment is right for a horticultural institution, that Wisley workers will no longer feel a rural offshoot (but do they mind?), and that the director-general's task would be eased, which is probably correct.

The sale of the Vincent Square property would cover the cost of new buildings at Wisley more than twice.

The reasons for moving the great spring show away from Chelsea are well known, but the dangers are considerable. Every-one knows that the show has outgrown the Royal Horticultural

hills of pure monochrome but ringed high above with pink mountain tops seen through shifting breaks in the clouds. For a moment I sensed the vocation of the walkers who gaped in disbelief as we shot by.

We were not a pretty sight in our polypropylene tights, logo-studded outerwear and Reebok

material which keeps the wind out but does not keep the steam in. For some reason it is *de rigueur* that such advances be marketed in hideously bright synthetic colours. But then, neither astronauts nor knights-in-armour blend easily into their surroundings.

I felt affinity to a knight as we flanked the long lengths of the winter lake of Stickletern "clothed in our breath and looking as we ran larger than human on the frozen hills." There were black cliffs around us; and as we scrambled down waterfalls of draped ice I thought of Sir Bedivere, a great fell-runner of the age of chivalry, who had shuttled indefinitely between the dying King Arthur and the Lady in the Lake, "basing his feet on juts of slippery crag that rang sharp-smitten with the dint of armed heel."

Sir Bedivere made the last of four trips carrying the body of the king—a sucker-for-punishment in the grand tradition. I warmed to him on that final, jelly-legged descent towards a road that led to a pub only four miles away down Langdale.

Sir Bedivere would have run the London Marathon before breakfast. After last weekend, so will I.

Nicholas Colchester

The shows will go on — but where?

THE MASSIVE Ridley report on the Royal Horticultural Society has been published in time to be a major talking point at the society's annual general meeting to be held in its Vincent Square Hall, Westminster, on Tuesday. Lord Ridley and his six assistants seem to have looked at every aspect of the society's organisation and work, from the collection of money to the number of judges at its shows.

What will most concern both members and the general public will be the proposals to move offices and library to Wisley and the great spring and autumn shows to new sites out of London. They are not entirely separate issues, though it is not clear that the review committee has fully realised the connection.

Seven advantages are listed for moving to Wisley. The first is ending the duplication of staff and facilities, the employment of a separate librarian at Wisley is given as an example. But a reference library so far from any major town would attract many more postal and telephone inquiries than at present, involving the staff in more research and paper work and the supply of more photocopied material. This is the

of all specialist libraries and record offices and I suspect they would need more library staff at Wisley, not less.

The lower cost of services and rates, and also of staff living and travelling expenses, are listed as a second advantage, but would have to be set against housing grants and severance pay. The present offices are described as old-fashioned, dingy and not conducive to efficiency. The more kindly description of "homey" could reveal them in a different light. Most of us are familiar with brush new offices which result in chaos, not better work.

The report also claims that the rural environment is right for a horticultural institution, that Wisley workers will no longer feel a rural offshoot (but do they mind?), and that the director-general's task would be eased, which is probably correct.

The sale of the Vincent Square property would cover the cost of new buildings at Wisley more than twice.

The reasons for moving the great spring show away from Chelsea are well known, but the dangers are considerable. Every-one knows that the show has outgrown the Royal Horticultural



shows worse every year. Yet Chelsea is central and easy to get to, it has great charm and the prestige of over 70 years' success.

Osterley Park and Wisley are suggested as possible sites. The first seems to have little to recommend it except size. Wisley in May would be marvellous but could the garden stand it, and would the same kind of public come? Undoubtedly the completion of the M25 will make Wisley readily accessible by road, but this would only help car owners and coach parties; rail and scheduled road services are not good. There is danger in the catchphrase about the rural environment being rich for horticultural

shows have thrived in wholly rural surroundings. Further recommendations are that one of the society's April shows as well as the great autumn show should be held out of London. If the society sells the London property it will be unable to stage the autumn show in its own halls for lack of space, and the same is true of other shows, including several of those held in conjunction with specialist societies.

The suggestion is that the autumn show should be moved well out of London towards the north or west; but the Southport show, once described as the Chelsea of the north, has been having difficulties, and Shrewsbury, which went through a bad period, thrives largely because of its unique character as a kind of gigantic village show, with lots of competitive classes. That is a long way from the present style of RHS shows.

ment is that the extra money would enable the membership fee to be reduced, attracting new subscribers who live too far away to get to Wisley or Chelsea. It is an equation to which no figures can be put and it would seem to require a gambler's mentality to take the chance.

Many will agree that the present invited trials of seed-raised plants at Wisley are of greatest value to the seed breeders who use the awards for advertising. However, by no means all trials are of this nature. Those of agapanthus, "hardy" fuchsias and hebes, for example, were all carried out to test hardiness as well as quality and were of great value to gardeners.

Nor is it clear that demonstration trials without awards, as is suggested, would help the public much, since most visitors will only see them once, whereas a true picture can only be obtained by frequent visits. There is talk of committee preparing comparative reports, but for big trials these would require more members than most committee members could undertake. There is much to be said for awards, to concentrate the mind of the judges and the attention of the public.

Another recommendation of interest to everyone is that membership should be doubled within five years. It is also suggested that members should pay at a reduced rate, to visit Wisley and Chelsea. That may seem a strange way to attract new members, but the

Arthur Heller

BRIDGE

THIS HAND from rubber bridge is, in my opinion, most intriguing, and I hope it will appeal to you:

♠ N	♥ 8 6 4
♦ J 10 7 5 2	♣ A K
♠ A K 7 5	♥ 8 4 3 2
♦ 6 5	♣ A K Q 3
♥ A K Q 3	♦ 8 7 4 3 2
♠ J 10	♣ 9 6
	♦ K Q 4

West dealt at game all, and North opened the bidding with one heart, to which South replied with one spade. North rebid three clubs, South said three no trumps, and North's four spades concluded the auction.

West's heart Ace was ruffed in hand, South cashed dummy's spade and diamond honours, and came to hand by ruffing a heart. When the spade Queen was cashed, West failed, and East was left with the only outstanding trump. Ruffing South's return of the diamond Queen, East led the club King, and the contract was defeated.

East dealt with East-West vulnerable, and I opened on the South cards with one heart. West overcalled with two diamonds, my partner said two spades, I rebid three hearts, and North raised to four.

West led the diamond King, and prospects were not bright. East dropped the Knave, and I won in hand. I cashed the Ace and King of hearts, and both opponents followed. That was better. I continued with the spade King, but when I played the four, West showed out—no joy in that suit. I won with the Ace, and returned a club from the table. East won with the Queen, and led another club for his partner to win.

I put down my hand, and claimed my contract, conceding one diamond. West was not played. If he cashed his diamond Queen, he would set up my ten; if he led a club, he would concede a ruff discard. There were some recriminations, but in fact East-West were happy. If East wins, both clubs, and leads the Queen of spades, I discard a diamond, and now East has no good return. A spade is ruffed, and dummy's ten is set up, a club concedes a ruff discard.

East dealt with East-West vulnerable, and I opened on the South cards with one heart. West overcalled with two diamonds, my partner said two spades, I rebid three hearts, and North raised to four.

West led the diamond King, and prospects were not bright. East dropped the Knave, and I won in hand. I cashed the Ace and King of hearts, and both opponents followed. That was better. I continued with the spade King, but when I played the four, West showed out—no joy in that suit. I won with the Ace, and returned a club from the table. East won with the Queen, and led another club for his partner to win.

I put down my hand, and claimed my contract, conceding one diamond. West was not played. If he cashed his diamond Queen, he would set up my ten; if he led a club, he would concede a ruff discard. There were some recriminations, but in fact East-West were happy. If East wins, both clubs, and leads the Queen of spades, I discard a diamond, and now East has no good return. A spade is ruffed, and dummy's ten is set up, a club concedes a ruff discard.

There were some recriminations, but in fact East-West were happy. If East wins, both clubs, and leads the Queen of spades, I discard a diamond, and now East has no good return. A spade is ruffed, and dummy's ten is set up, a club concedes a ruff discard.

There were some recriminations, but in fact East-West were happy. If East wins, both clubs, and leads the Queen of spades, I discard a diamond, and now East has no good return. A spade is ruffed, and dummy's ten is set up, a club concedes a ruff discard.

There were some recriminations, but in fact East-West were happy. If East wins, both clubs, and leads the Queen of spades, I discard a diamond, and now East has no good return. A spade is ruffed, and dummy's ten is set up, a club concedes a ruff discard.

E.P.C. Carter

Handwritten signature: Jell not 10

هلوانه الامل

Good hunting for antiques

BUYING antiques, we all know, is fraught with problems. Apart from worries about how genuine they are and how much "restoration" work has gone into them, there is the bigger problem of actually tracking down the piece you are after.

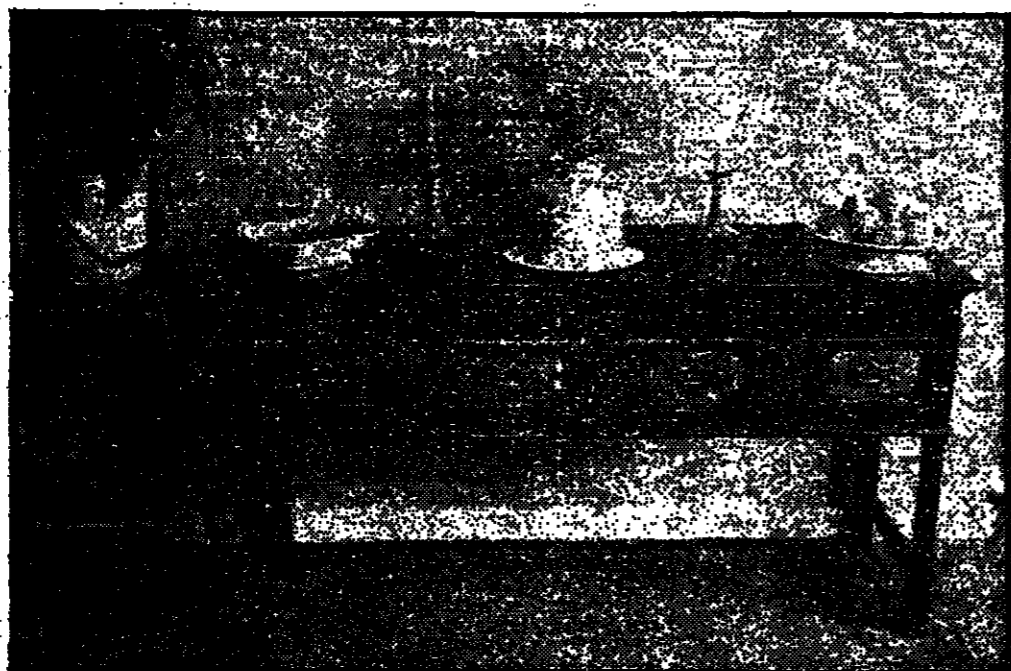
Everybody who has anything to do with the trade reports that last year the strong dollar made our prices seem to Americans even more like give-aways than ever before, and that a bigger-than-ever contingent of our antiques made their way across the Atlantic.

If there is a particular piece you are thinking of buying, or a gap in a room you wish to fill, the best advice I can pass on to you is — buy now. If one thing is certain, it is that prices never seem to go down.

The more the British are encouraged to care for and buy their own antiques, the less of our fine furniture will disappear from our shores forever.

If you do not have your own favourite source of antiques let me bring to your attention two ways of buying that may smooth the path.

First let me introduce Sally-Anne Duke and Carola Sutton of Antique Discovery.



Above: the antique sideboard tracked down by Antiques Discovery. Right: an 18th-century eight-day long case clock from Gastrell House

Just to see how the service worked and whether they could find for me a piece I was having particular trouble tracking down. We wanted a side-table or sideboard to fit into a smallish dining-room with an eclectic collection of furniture.

It did not take long before Antique Discovery came up with the first Polaroid — it looked too ornate and baroque for my taste so we did not even bother to go and see it.

This time it was a 1680 dark pine sideboard with two drawers and fine original brass handles. We set off to see it, and it did prove to be exactly right.

The service has saved hours of tramping around antique

shops (marvellous if you have the time and know-how — we had neither) and we had ended up with a piece that was right. It had been comforting for us to feel that our interests were being looked after by people who knew what they were at.

If you are looking for a piece that turns out to be beyond your price bracket, the two girls are very adept, by now, at advising what the next best thing would be. For instance, they are often asked for mahogany dining-tables with a pedestal base, capable of seating up to 10 people.

Many of their customers are, therefore, advised that they would be better to go for a piece that is not entirely authentic, where, perhaps, a new pedestal base has been skilfully added by restorers.

The price is down to about £5,000.

The service the girls offer is personal, it is helpful and it is very efficient. Antique Discovery is at 22, Narbonne Ave, London SW4. Telephone 01-372 1193.

Gastrell House of 33, Long Street, Tetbury, Gloucestershire offers another kind of service — selling antiques by mail.

Those of a more cautious disposition can drive to Tetbury, visit the shop and examine the piece in close-up. The shop specialises mainly in English furniture from 1700 to 1850, with particular emphasis on George II, George III, and Regency pieces.

Anybody who does not see what they want on the mailing list or in the shop can ask Gastrell House to look out for what they need.

Lucia van der Post HOW TO SPEND IT



SAFARI-BOUND readers may remember that a few weeks ago I wrote about a small "year of a catalogue" produced by a company with the improbable name of Banana Republic, based in San Francisco and with a branch in New York.

A CHARMING present at any time of year are personal bookplates. Anybody who has lent a treasured volume and never had it returned will know the feeling of rage and loss — at least a book marked with a bookplate leaves something to remind the culprit of his crime.

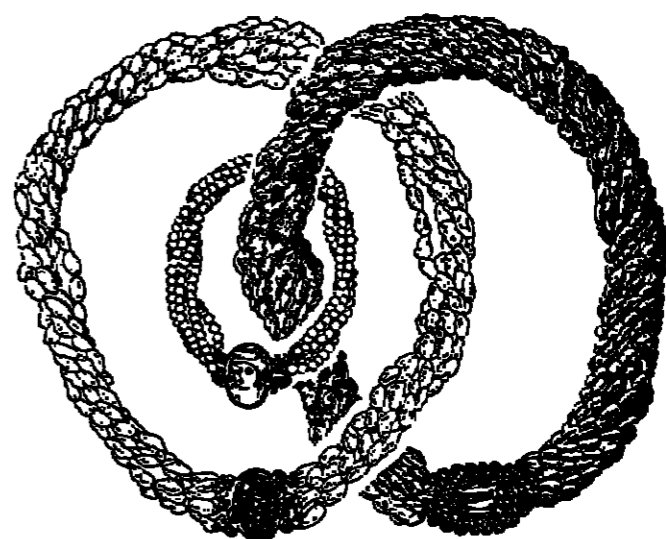


CHARLOTTE EDWARDS

maximum decorative impact in the small space a book label allows. There is a choice of 25 different designs, each of which includes the name. A box of 100 labels, each measuring 55 by 42mm, costs £6.95 (including postage in the UK).

Write for the booklet of designs and for orders to Barbara Usherwood, 5, Summerhill Terrace, Newcastle upon Tyne NE4 6EB, enclosing a s.a.c.

Sidelines



James Ferguson

GLORIA FINN has a collection of antique Victorian and Georgian clasps. Readers can choose one and then plan a necklace or bracelet of their choice round the clasp. She has been collecting for years and some of them are quite beautiful.

But best of all she likes making necklaces to special order, and any reader can go along, survey the collection of clasps and then ask for the necklace or bracelet of their choice. Sketched with the others above is a Victorian amethyst and pearl clasp and grey freshwater pearls (£500).

KNITTERS WHO wonder why the finished garment never quite fits probably know that each knitter is known to knit to her own "tension" and this can produce marked variations in sizing.

a computerised knitting pattern service to solve this problem. The knitter knits a tension square which is measured and the number of stitches and rows per inch are fed into the computer.

IAN MANKIN, whose shop on Primrose Hill specialises in inexpensive fabrics, goes from strength to strength. Having reminded us of the almost forgotten delights of unbleached calico, muslin, ticking, Goyt cotton (in glorious colours), towelling and cord, he now (by popular demand) is expanding his range of ticking.

Swatches can be sent to readers in return for a self-addressed envelope. The price is £5.50 a metre for fabric 48 ins wide. Visit or write to Ian Mankin, 109 Regents Park Road, Primrose Hill, London NW1 8UR.

L.v.d.p.

Pine pieces painted to order

NOT EVERYBODY is looking for a normal piece of antique furniture — a decorative piece could be more what you have in mind. If so, Old Pine's Painted Furniture at 571 and 594 King's Road, London SW6, might be the place for you.

Old Pine has been selling antique striped pine to the trade and the public for several years now, but it has just started a new service offering any of its furniture charmingly painted with flowers, plants, birds or whatever else a customer fancies.

The idea, of course, is not new — rustic furniture from Austria, Switzerland and Scandinavia has long been a repository of authentic folk art, with certain pieces being lovingly embellished by hand so that no two were ever quite alike.

Here, too, the re-discovery of all the old painting methods — dragging, stippling, marbling etc. — has been applied to everything from radiators to kitchen cabinets. Old Pine offers easy access to this sort of innocently pretty furniture.

It has a regular supply of ready-painted furniture in stock which customers can either buy or just use to get their eye in. Meanwhile, up in Warwickshire



Anna Morrow

Just two examples of the painted furniture at Old Pine — a linen press at £1,200 and one of a set of eight chairs which are £1,200 the set

are two talented women who combine looking after families with embellishing any of Old Pine's stock of furniture to order. Customers can choose a piece, bring in a piece of fabric and then ask for the furniture to be decorated in colours and themes sympathetic to the sample. If they see a design they like on a piece of furniture in stock, but want it in a different colour, that can be easily organised.

I like the idea because it gives a new lease of life to furniture that usually falls between two stools — neither old enough and fine enough to be an antique, nor well-made enough to look new and fresh.

Most of the furniture is of the sort that used to reside firmly "below stairs," but its simple charms and harmonious lines have made it the focus of many a colour supplement home. Look for old-fashioned linen presses, for armchairs and chests-of-drawers, for dressers and wardrobes, for small tables and writing desks.

The top end of the market can be trickier but anything with a good provenance and from a famous home is sure of fierce bidding.

Furniture in the saleroom

Lots of good old England

A FEATURE of the fine art salerooms in the last year or so has been the interest in things English. Paintings, watercolours, silver and furniture, in fine condition and of good quality, have become much sought after.

Next week it will be the turn of English furniture to test the market, with Phillips holding its routine sale on Monday, and Christie's and Sotheby's having better than average auctions on Thursday and Friday.

Eighteenth century furniture has shown the greatest appreciation, with the exception of oak, which is out of fashion. Many pieces will have more than doubled in five years.

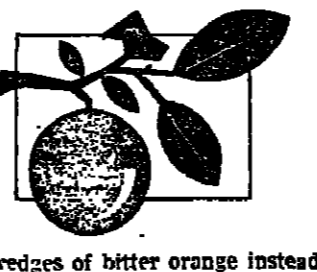
Castle state bed made for the extravagant Thomas, 5th Lord Fairfax, around 1710. It still retains some of its original yellow silk hangings but prospective buyers should note that the bed has no post at the foot; it is actually suspended from the ceiling, so you need a tape measure to ensure that it is as tall as your bedroom, or else you will need to suspend it. When Christie's sold it at the Waterbury Place auction of 1978 it made £7,500. Sotheby's expects £15,000-£20,000, but it is one of those items which could make much more — or attract no bids.

The early 19th century tables made by Jupp, who managed to produce large circular tables built on one pedestal, have for long been a saleroom phenomenon. In the last few years their price has been falling rapidly but Sotheby's managed a record £38,000 for one in the autumn, and it has another on offer next week at £15,000-£25,000.

Ironically the most notable lot for sale next week is the very opposite of small. It is the Leeds

Cooking

Marmalade days are here again



aromatic Sevilles for their special zing. You can use half a lemon and half a sweet orange instead, and most people do most of the time, but the substitute combination is only a vague approximation of the real thing. With this in mind, I think it is well worth freezing a few bitter oranges for use later in the year.

The juice and pungent zest of bitter orange give an enviable tang to mayonnaise, vinaigrette and other salad dressings. Sevilles seem to have special affinity with fish, and are particularly good with scallops, but perhaps this has as much to do with my eyes as my taste buds for the colours of Sevilles and scallop roes blend very well.

wedges of bitter orange instead of the more usual quartered lemons to squeeze over fish. The only sad thing about this is that you have to mask the orange by tying each wedge in a little buttered muslin parcel, as they sometimes do in restaurants, or the fish gets soured under with pips.

for rich wintry fruit salads or soft-textured low-fat foods made with Greek yoghurt or fromage blanc instead of whipped cream. Bitter oranges make a marvellous alternative to sweet oranges and to lemons in all sorts of mousses, ice-creams and sorbets. A great many favourite recipes can be adapted to suit Sevilles quite easily; basically it is just a matter of altering the amount of sugar used.

One of my most successful recent experiments has been to use bitter oranges in place of lemons to make a fruit curd. The idea seems obvious enough but I have never come across it before. I recommend it. Seville orange curd tastes delicious and the bonus is that this preserve, unlike marmalade, takes next to no time to make. Serve it spread on good bread (unbuttered of course). Or stir it into Greek yoghurt, pile into syllabub glasses and nibble with fish and...

WE ARE NOW ABLE TO OFFER INTEREST FREE CREDIT ON ALL WATCHES, DAVID MORRIS JEWELLERY AND GIFTS IN EXCESS OF £300. NO DEPOSIT REQUIRED. 25 CONDUIT STREET, LONDON W1. TEL: 01-499 2200/29 5142. david morris

DANISH QUALITY BEGINS AT CROUCH END LONDON'S HOME FOR TEAK AND ROSEWOOD FURNITURE. Scandinavian World. 72/94 PARK RD CROUCH END LONDON N8. 01-348 1854. SPRING SHIRT ETC SALE. Saturday March 1st thru' March 7th 10 am thru' 7 pm. Antony Thorncroft

FINANCIAL TIMES REPORT CLOCKS and WATCHES. To be published on SATURDAY 19th April, 1986. For details of Advertising Rates please contact JULIA CARRICK 01-489 0029. Publication date is subject to change at the discretion of the Editor. FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

OLD FRIENDS DOES LIFE BEGIN AT 40? MARRIAGE, FRIENDSHIP or COMPANIONSHIP: the introduction agency for the 40s, 50s and 60s. Details from: Anne Brent, 18a Highbury New Park, N5 2DB Telephone: 01-225 5432.

eat

Want

cl

Eloise and Helen

HELEN WADDELL: A Biography
by D. Felicitas Corrigan.
Gollancz, £16.95. 363 pages.

WHEN THE Wandering Scholars was published in 1927, Helen Waddell noted that the book received such wide acclaim it was "read by men in factories." The appearance of her novel, Peter Abelard, six years later, brought her even greater renown. Nothing in her background helps to explain such extraordinary success.

Religious belief was central to Helen Waddell's life. Born in 1898, the youngest of 10 children of an Irish Presbyterian minister, she spent most of her childhood as a missionary's daughter in Japan. Partly because her own mother died when she was three, to be substituted by a cousin of her father's, and partly because her father's deep convictions were allied with her ebullient and independent personality, he exerted a strong influence on her.

His death, on his retirement to Belfast in 1901, left her in the hands of a dowry girl woman. Yet Helen's character was already formed, her mind never doubting that to God lay all the answers but constantly questioning, or at least questioning, the answers. At the age of 12 she was already finding fault with Milton's theology and the attitudes expressed in Bunyan's Pilgrim's Progress.

Lacking money and sympathetic parents, Helen won scholarships, developed an extremely close relationship with her older sister, Meg, and found admired and admiring father-figures for herself. Professor Gregory Smith held the chair of English at Queen's College, Belfast, which Helen attended from 1908. She always acknowledged her debt to his teaching, although at times she likened their relationship to a "puppy barking at a sphinx" and later

she was to find his implacable anti-feminism a test of her admiration.

Helen's external examiner for her MA was Professor George Saintsbury, who soon became Helen's life-long mentor, even though they only met twice. Her third admirer with whom she corresponded weekly until his death in 1920, actually called himself "father." The Reverend George Pritchard Taylor was a Presbyterian minister working in India and to him Helen confided her most profound thoughts. Their only disagreement occurred over the future of Ireland, ending with Helen's suggestion, "Let's bury Irish politics in the Red Sea, half-way between us, though the Bay of Biscay would be most suitable."

Despite such men in whom she could confide, the 10 years following Helen's departure from Queen's were unhappy ones. While her woman friend Maud Clarke continued her studies at Oxford, Helen felt it her duty to look after her querulous and jealous stepmother who made matters worse by taking to the bottle. That Constable, he already successfully published her lyrics from the Chinese in which she recast 36 poems made her present intellectual sterility even more frustrating. A fairly silly novel written with Maud's parodying herself and her older gentlemen did not get published.

Helen was 31, her hair streaked with white, her old academic qualifications seemingly so very odd, as Felicitas Corrigan puts it, when she finally arrived at Oxford. There followed years of private study at various universities, first for a PhD and then in Paris where at last she turned to the writings of medieval France which were eventually to result in the novel, Peter Abelard. She was often lonely, unhappy and ill and with the example of her sister's happy marriage and other jolly children, she sometimes thought of marriage as an

attractive alternative to scholarship.

An Irish suitor, dubbed "the Mourne Mountain man" was seriously favoured but, as she soon admitted, the idea of marriage was for her only playing at houses, "keeping the blinds down and the candles burning. And one misses the sunrise if you do that too long."

The sunrise showed itself in the Wandering Scholars published with wide acclaim. Mapping out the medieval literature world she had not only done, but a friend of Stanley Baldwin's, toast of the London drawing-rooms, The Wandering Scholars was followed up with Medieval Latin Lyrics and the stage was nearly set for Abelard. Still one essential ingredient was yet to be added. At the age of 37 Helen fell in love for the first time—with her publisher, Otto Kyllmann, nicknamed O.K.

O.K. was, in the style of all her men friends, 20 years older than her and, moreover, was twice married with a daughter in a mental hospital. Years later Helen described their declaration of mutual love: "I can see now the patch of sunlight in which we stood and the joy of it, but I had to draw back and say, 'It can never go further than this: I can never take what belongs to someone else.' So... I have never experienced physical love."

Nonetheless they spent the rest of their lives together, O.K. eventually moving in to the large house Helen bought on Primrose Hill where she spoiled him as much as any pampered husband. Meditations on the nature of love to Helen's sister brings her close both to Abelard's dilemma and his conclusions: "Because if one loves, one really isn't lonely: it is the unloving heart that is always cold. 'Beloved, let us love one another for love is of God: and he that



Helen Waddell: strange life of a scholar and romantic of the middle ages

loveth is born of God, and knoweth God". Such belief seldom brought Helen tranquillity. The triumphant publication of Peter Abelard just before her forty-fourth birthday, was surrounded by the death of friends and soon followed by the war in which two of Meg's sons were killed. Anguish and self-sacrifice were always part of Helen's view of Christianity. By the end of the 1940s she had become aware that her mind was not functioning properly. This was the beginning of irreversible organic brain failure. Felicitas Corrigan quotes a description of her half-way through the 15 years she lived on: "I see her now as she sat

with her hands folded on her knees in her sitting-room in front of a small picture of Christ stumbling under the burden of the cross. With tears in her eyes, she said: "My cross is very heavy too and is crushing me, but, looking at Him, I try to carry it without being too complaining and sorry for myself." There remains the question of why a Presbyterian should so immerse herself in the history of Catholicism. Sister Corrigan nobly restrains herself from any speculation, but it seems likely that, except for the allegiances and prejudices of childhood, Helen would have embraced the faith of her heroine, Eloise. Rachel Billington

MOTHERS AND SHADOWS
by Marta Traba, translated from the Spanish by Jo Labanyi.
Readers International, £8.95. 175 pages.

THE WOMEN'S DECAMERON
by Julia Voznesenskaya, Translated from the Russian by R. B. Linton.
Quartet, £9.95. 330 pages.

THE DEATH OF MY BROTHER ABEL
by Gregor von Rezzori.
Translated from the German by Joachim Neugroschel.
Picador, £12.95. 632 pages.

ELLEN
by Ita Daly.
Jonathan Cape, £9.95. 144 pages.

URUGUAY, ARGENTINA, CHILE
across the last decade the things that have happened there (perhaps are still happening in Chile) defy description, almost belief, certainly direct artistic use in a novel. The "disappeared" numbered thousands, but how each one disappeared must arouse a collective madness in the surviving relatives. Mothers and Shadows is about some of them. The author too died violently—but by accident, in the Madrid plane crash of 1983, with her husband and other Latin American writers.

There are few direct descriptions of torture but the atmosphere is so full of fear and horror that one knows it is close. Irene, a middle-aged actress, alarmed for the fate of her son and pregnant daughter-in-law in Chile, becomes involved not in political activity but in friendship with political activists in Montevideo, and later in Buenos Aires, where she goes to support Elena, her greatest friend from childhood whose daughter has "disappeared." The plot involves four women with connected lives, Irene and Elena, Elena's beautiful daughter Victoria, and Dolores, friend of them all, whose husband dies from torture and whose child is aborted with kicks in her womb.

Two scenes convey authentically the atmosphere of a totalitarian state, though the cumulative effect of it becomes stronger

Fiction

Days of disappearance

and stronger as the book goes ahead. In one, Irene is on a bus with ordinary "patriotic" citizens, all wearing caps and badges saying "Argentina the Greatest" and suchlike. Parallels with the Nazis are few, therefore all the more effective when made: "Argentina, liberate us," Irene thinks. "I was the Jew on the coach." A child sees she is not joining in the slogans and songs: at once, fear and suspicion creep up around her. She is the outsider, police-fodder perhaps: "The little girl with the peaked cap would whisper in the ear of the driver, who would whisper in the ear of the policeman at the check-point, who would whisper in the ear of the inspector on duty, who would whisper in the ear of the torturer."

In the other, the scene is the Plaza de Mayo in Buenos Aires where every Thursday (as we know, but it never came home to me as vividly before) mothers, grandmothers and small children met carrying photographs of their "disappeared"; among whom (as we now also know) no-one was spared, not the old, or babies, not the pregnant, or the unborn, the rich and smart, the poor: all were helpless. It was all so recent, it all seems so close, so recognisable, even familiar. They shop at Harrods (Buenos Aires); their social life (though smarter) is so much like ours, so totally European. And they vanish into a hell beyond the scope of normal imagination. This impressive and very readable book understates all this, making its point artistically much better than if it had been more explicit. In spite of its subject, it is undimly exciting, and Jo Labanyi's fluent translation makes it all imaginable as well as (artistically) enjoyable.

Not so The Women's Decameron, which is translated



Gregor von Rezzori: luxury and guilt in a world without frontiers

into scarcely bearable English and seems very distant in idiom, even in interest; yet is also by a dissident, also about a tyrannical regime under which she suffered, also with an all-woman cast. Ten women, each one from a particular category (worker, tramp, dissident's wife, intellectual, etc), isolated in a Leninist maternity hospital in quarantine, tell stories in various ways in which the narrator moves about the continent before, during and after the Second World War. Illegitimate son of a noble de base, he grows up partly in fantastic luxury among her immensely sophisticated lovers, partly in the narrow, penny-pinching

household of her family in Austria. In starving postwar Germany he goes to the Nuremberg trials to give evidence about the death of his Jewish mistress.

Into a large holdall (his agent's expectation that he will write a great panoramic novel), he bundles everything—narrative, philosophical musings, pre- and postwar memories, documentary stuff about Nuremberg, the film world (postwar, he writes film scripts for a living), women of all sorts, Gaia and Krista, Dawn and Bettina, Stella and Nadine, A Nabokovian richness of experience, style, technique and effect seems aimed for, an exuberant outpouring of life at many levels, a great sweep, historical and geographical, across the continent (in the context of which, incidentally, Britain, its culture and influence, seems not to exist). Whether the translation is to blame for its failure to put this across is hard to tell.

These novels all show how crucial is the quality of a translation. My only book written in English is an Irish first novel, Ellen, which glows with a rather glum talent and ends on an image of what has happened. Someone puts an orange on the grass, ants swarm all over it, a kettle of boiling water is poured over the panicking ants.

The orange must be Ellen's introduction to the happy world of Myra, her only friend. A wretched home life and childhood and a conviction of her own unattractiveness make 1960's Dublin a drab place for her till Myra opens the way to normality, affection, outings, parties, male company. The ants are the momentary violence that overwhelms this idyllic state. The boiling water—Ellen's soul, perhaps; certainly her guilt, her condition.

Its Daily writes simply, almost sweetly, except that there is always an underlying consciousness of evil, sharpness, humour, a touch of salt used sparingly and effectively. With its mixture of the mundane and the bizarre, homeliness and horror, this makes a very promising debut. Isabel Quigly

CRIME
THE NEXT BEST THING
by John Reardon Saul, Grafton Books. £9.95. 241 pages.

AN IDIOT'S guide to Thailand would include the advice to stay away from the border areas where private armies battle over opium-smuggling routes. It would also include the commandment—thou shalt not export statues of the Buddha.

James Spenser chooses to ignore these taboos—and others. He plans to cross the border into Burma, steal 20 11th-century Buddha statues and get them out through Thailand to sell for millions of dollars. This plot could have produced a tedious blood-and-thunder tale. But not in the hands of John Reardon Saul. He introduces an art system to the privations... violence suffered by Spenser and his unsavory allies. Some of the most memorable passages express an almost spiritual rapport between Spenser and the great works of art he craves. Saul's sixth sense lifts this novel right out of the thriller genre. IMPOSTORS by George V. Higgins. André Deutsch. £9.95. 362 pages.

THAT MASTER of dialogue, George V. Higgins has produced another compelling novel. Where many writers get bogged down in discussions between characters, Higgins uses the device of conversation to tell his story—with a little spare description in between. In this story the dialogue is between well-to-do Bostonians. They plot and scheme to keep the lid on a scandal dating back 20 years, but which can destroy the respectable facade which conceals their sordid lives. Some of the impostors seem willing to go to any lengths to protect their secrets. Powerful stuff. Brian Ager

Cost of academe

GOVERNMENT AND THE UNIVERSITIES IN BRITAIN
by John Carswell, Cambridge University Press. £19.50. 181 pages.

DURING THE 1960s higher education was an interesting, even an invigorating, subject: it could move governments and capture headlines. During the 1980s it has largely lost its public appeal, although the CBI has recently focused its attention on the subject, stating firmly that cuts have gone too deep and morale is too low. It has added, however, doubtless for the ears of Government as well as of universities, that there is "no way that industry can pick up the bill."

In this valuable survey of the years from 1960 to 1973, when what has happened since could already be predicted. John Carswell, writes from inside knowledge; and he, too, picks out the failure of the universities and the polytechnics to grip a "fickle" public—and short-sighted politicians—as the main cause of what he calls "a transitional" He is writing as Treasury assessor during the Robbins enquiry, head of the Universities branch of the newly-formed Department of Education and Science from 1964 to 1967, and Secretary of the University Grants Committee, from 1974 to 1977. Had his narrative continued beyond 1973, he would doubtless have dropped the word "transition" from his historical description. The discontent, justified or not, is complete; and there is no trace of euphoria, not even in relation to information technology. The first chapter of his book presents a very clear account of

what he calls "the background" before the Robbins Report, and his second chapter deals with the role of the Treasury before the creation of the Department of Education and Science. The latter offers a fascinating view from within, although it scarcely generates retrospective sympathy for the Treasury in the days of Otto Clarke. Universities at their best have long-term views: the Treasury lived on stops and starts. The third and fourth chapters on the Report Committee and its Report Committee and its Report Committee, and they are followed with chapters which deal with the DES in the days of Toby Weaver, which make the Treasury seem by comparison a citadel of sound judgement.

DES policies, particularly in relation to the binary system, were made behind closed doors with little sense of their long-term implications, with occasional public pronouncements like that of Anthony Crosland at Woolwich in 1965. The real fascination of what was happening in the campuses, a new world in Britain, was little understood and seems to have missed Mr Carswell's net.

Some, but not all, universities were genuine centres of initiative—a country always needs these—and even the UGC after Keith Murray, a superb, enlightened chairman, did not always appreciate it. Whatever the right term to apply to the universities when John Wolfensohn was chairman, smoother, but less ideological, than the UGC, and not their "Augustan Age" as Mr Carswell calls it. It had more of the feel of a renaissance. He is right, however, to note that

the problems in higher education preceded the inflation of the 1970s or the subsequent sequences of cuts. A right binary system was itself a recipe for disaster, and the wildest of the militant students, who reached the screens as well as the headlines, were their own gravestiggers.

As a practising historian—the once wrote a book about the South Sea Bubble—he has a genuine sense of perspective. He is also aware, when he turns to student fees, of the international aspects of his subject. These, however, require greater attention. British universities had the highest of reputations in the early 1960s when the UGC could be held up as a model. All countries were expanding their higher educational systems, at least as rapidly as we were, and we seemed to have the best policies.

Since then the quinquennial system has gone, the universities cannot plan, the UGC has been reformed, the polytechnics are no happier than the universities, and the schools, which feed the system, are in chaos. The open university is under-provided. We certainly cannot blame it all on the students. The Americans and the French had more serious disturbances during the 1960s than we ever did, but public opinion was less fickle. In Britain the case for higher education as a national responsibility must be made afresh in each generation, and by politicians as much as by academics. Industry can and does help, but that is not enough. Asa Briggs

Coolidge era Casanova

THE INMAN DIARY: A PUBLIC AND PRIVATE CONFESION
edited by Daniel Aaron.
Harvard U.P. 2 vols. 1661 pages. £50.00.

DEFINITELY MORE Casanova than Peppy, this two-volume microcosm of a diary, lovingly sculpted by Dan Aaron from the 17 million word original left to posterity by Arthur Crew Inman. And who was Arthur Inman that he should have such care lavished on his scribbles?

He was a minor American poet and dabbler in the arts born on May 11, 1895 into an influential Southern business family. But although he achieved no great public acclaim in his lifetime, Arthur was privately preparing a literary time-bomb which, after his suicide in 1963, was accepted for publication by Harvard University Press. Professor Aaron was given the labour of panning out the gold-bearing ore.

And pay-dirt there is in abundance thanks to the editor's dedication. The result is a model of editorial taste and clarity with intercalated notes and pages of dramatic personae. And how good—and yet at the same time stunning—it is, its success lying in the author's fair for evocative description and his riveting matter-of-factness about himself. How sad that he could not have got some of this grit into his whimsical little verses.

Arthur was a tiny red-headed child "with lashes half an inch long," doted on by servants and relatives but inevitably suffering at Haverford School, where he was dubbed "the class runt"—happy only in his beloved Maine where the Inmans, like other quality families of the century, had a summer place. At College, ill-health, vague and apparently psychosomatic, takes over. He consults osteopaths and falls into the hands of the roustabout and workmaning Dr. Cyrus Pike, who convinces him that his ailments—migraines, colds, caraches, allergies, constipation—are caused by his "floating bones," which have to be corrected by constant manipulation. Following Le Noter's diagnosis by the Nobel Prize-winning Dr. Elie Metchnikoff, Arthur became convinced that he was suffering from "auto intoxication" arising from the retention of fecal matter in the large intestine. Enemas and stomach-pumps became the order of the day.

Quite early in his young manhood, then, Arthur embraced chronic invalidism and took to staying in a darkened room in Garrison Hall, an apartment

building in Boston—a half-way house between the paradise of Maine and the impossibility of the real mansion in Georgia. He advertised in the Boston Evening Transcript for "persons who have had interesting experiences and who can tell them interestingly to talk to an invalid, \$1 an evening." They came, mainly young women "of working-class origin," in surprising numbers ready to bare their souls as well as their conquests down in cold-blooded, conversational detail.

Not that he had sex with all of them. Fondling and petting were more in his line. His marriage to the lively and attractive Evelyn Yates did nothing to stem the tide of "talkers."

Inman's Diary provides valuable information on several levels. First, it is revealing about the mentality of the Wild South. Though he chose to live in Boston, Arthur never forgot his origins. As an "English gentleman," he believed that he was keeping up the true Anglo-Saxon ideal against Yankee carpet-baggers and unspeakable immigrants.

This dangerous fantasy existed in his mind alongside the most rabidly racist and fascist opinions. Franklin Roosevelt ("Roosey the Rat") is constantly vilified, Mussolini praised, Hitler extolled. Strikes must be ruthlessly suppressed. Senator McCarthy is a saint, and Jews, negroes and Communists are the scum of the earth. Creepy to read but probably not a great deal different from the views of

others of his class and type. On a second level, the Diary presents us with a fascinating social study, for it is full of revealing incidents—details about the mores of the between-wars period. A third bonus is the extraordinary medical history, so revealing about alternative as well as orthodox medicine of the time.

But the triumph of the book—and it would not be so without Arthur's gift for phrase and description—lies in the fascinating parade which passes through his bedroom. As he went on, he realised more and more the value of this side of his writing and spoke of "doing in nonfiction what Balzac did in the novel." A self-important estimate perhaps but a remarkable achievement, nonetheless. But Arthur is not only the author of the first "nonfiction novel" to use Professor Aaron's phrase. He is also the Kinsey of his soul, setting down without fear or favour, his most intimate acts and opinions.

Such honesty is rare, and can be revolting. Yet who is there among us who can say that, if the naked truth were told about his or her life, the result would be any more palatable? One begins with a glimmer of understanding into the human predicament. This helps to explain why Daniel Aaron, the most decent and liberal of men, was prepared to devote so much of his time to the monumental jottings of this mewling, puking, bullying egomaniac. Geoffrey Moore

A to Z of beasts, fossils and mumps

THE OXFORD DICTIONARY OF NATURAL HISTORY
edited by Michael Allaby.
Oxford £20.00. 688 pages.

THE OXFORD University Press has been reviving its fortunes by greatly increasing its list of handbooks, one-volume histories and dictionaries. These types of book pose very difficult problems to those who edit them and write for them: what entry suffices? At what point do the ideals of "global coverage" or "total history" make the concept impossible and the result only saleable to parents of children who face exams?

This Natural History Dictionary aims to profit from the widespread popular interest in its subject, while explaining the many unfamiliar terms which scientists and specialists use. The editor, Michael Allaby, worked for The Ecologist in its salad-green years and has had to co-ordinate the style and contributions of 25 specialists. The result is certainly an arduous business for non-specialist lovers of natural history. I cannot speak for other groups, but the publishers believe it of value to "those who derive pleasure from wildlife around them or even from well tended gardens."



an outsider, but the entries on fish, insects and cells will mean nothing to amateurs without constant cross-referencing for their every word.

In short, this is no book for the plain naturalist. Popularising scientists and science-writers will find it useful: exam candidates may find they are given it. The OUP is making a habit of this genre, but I do wonder if its main pleasure is not the hunt for odd or understated entries and the recitation of OUP's descriptions of well-known things. I am not clear why several human diseases have intruded into a Natural History book, but as a recent male sufferer from mumps, I cannot accept an entry which says "symptoms include fever with swelling and inflammation of the salivary glands." The Oxford explanation of "fox" is "see Canidae," and on seeing it, you could not tell a fox from a dog, jackal or four-legged pack of scientific jargon on its way to the dustbin. This type of entry obscures everything in the book from a canary to a tooth. There are moments of high comedy, but first prize goes to the master of suspense who devised the entry "penduline tits; see Remizidae." Robin Lane Fox



John Reardon Saul. He introduces an art system to the privations... violence suffered by Spenser and his unsavory allies. Some of the most memorable passages express an almost spiritual rapport between Spenser and the great works of art he craves. Saul's sixth sense lifts this novel right out of the thriller genre. IMPOSTORS by George V. Higgins. André Deutsch. £9.95. 362 pages. THAT MASTER of dialogue, George V. Higgins has produced another compelling novel. Where many writers get bogged down in discussions between characters, Higgins uses the device of conversation to tell his story—with a little spare description in between. In this story the dialogue is between well-to-do Bostonians. They plot and scheme to keep the lid on a scandal dating back 20 years, but which can destroy the respectable facade which conceals their sordid lives. Some of the impostors seem willing to go to any lengths to protect their secrets. Powerful stuff. Brian Ager

THE
Inman Diary

A Public and Private Confession

Edited by Daniel Aaron

Jacket design for the Inman Diary extracts from the 17-million-word outpourings of an eccentric American who committed suicide in 1963

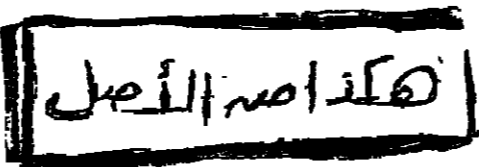
Adieu to Didi

AFTER A FUNERAL
by Diana Athill, Jonathan Cape, £9.50. 198 pages.

AFTER A FUNERAL begins with describing Diana Athill's first meeting with an exiled Egyptian writer of great charm and animation. "Five years later," Athill tells us, "this man killed himself in my flat." The rest of the book traces her troubled but very close relationship with the exiled writer—referred to as "Didi," an adaptation of his actual nickname—over the intervening period. During these five years, Didi becomes a permanent guest of the author, financially dependent on her and on other friends. His erratic behaviour, veering between "feverish euphoria" and grim self-destructiveness, begins to make her life increasingly difficult, particularly when he suddenly develops a violent antipathy towards her in the course of a holiday in Yugoslavia. Various quarrels and reconciliations ensue, and Athill remains sharply conscious of Didi's "terrible vulnerability," and of his intense need for her care and protection. The story of this odd friend-

ship is recounted with such ordered concision, and such calm, analytical detachment, that "Didi" and "Diana" often assume the air of characters in a novel, inextricably entangling themselves in an ever more impossible situation. We begin to feel an intense curiosity as to what Didi will do next, and how Diana will react. The fascination of the relationship which develops between them is greatly increased, moreover, by the fact that it is presented not only from Diana's point of view but also from Didi's: the author frequently quotes "at length, from her guest's diary, which he leaves around for her to read. Chino Chino

إلا والحمد لله



Theatre

Dog days in a nuclear wilderness

THE LANDSCAPE of Russell Hoban's novel Riddley Walker is made up of mud and ruined cities, fortified settlements of farmers and foragers. Under an incessant rain, working parties dig up the wreckage of great iron machines to be melted down. Otherwise the wasted land belongs to the roaming wild dogs and the forest charcoal burners, a society where each settlement has its "chiefs" ruled by the Fry Minger who always takes the name of Goodparley.



David Threlfall as Riddley Walker with the pack of killer dogs

Practical problems abound. The adolescent hero runs with a pack of dogs and befriends an eyeless mutant, selectively bred for his own utterance. (The latest in a line of Ardships of Chubry, he will be beheaded once he has served his turn and sired a successor.) And how to portray one of the book's most moving passages, when Riddley is overcome by the spiritual energy in the heart of ruined Canterbury cathedral, the forest of hills and carved foliage?

which the rulers entertain the people: part history, part ritual, part indoctrination. David Threlfall enters as the travelling showman that Riddley finally becomes and recounts his wanderings in flashback. The dogs are near-naked actors, panting and snarling to stylised movements (Fergus Early).

Riddley on, in place of the myth, the hero's loss of innocence. Pan Ferra also powerfully embodies Annie's opposite, the eternal feminine, "she whose womb is at Cambry."

Inevitably some of the book's cumulative power is lost in the theatre's need for narrative movement. The many-levelled description of how folk memory, myth, imperfectly remembered history, regrets for an indefinite bliss, lost, and the search for the One Big One that will regain the Good Time, all combine to create a religion, is hard

to pack into two and a half hours. The sense of loss comes over. Riddley weeps, inarticulate, at seeing the artefacts of his ancestors: "O, what we be and what we come to!" and recalls the post-holocaust children in Graham Green's *Discovery* in the Woods who cry, without knowing it, for a world long lost.

The novel brilliantly conveys the need for religion in its merging of Christ with the atom, the "little shining man" who was split in two. The search for his secret ends with an explosion. Innocence is lost again, and Riddley's Punch puppet kills the devil only to be reprimanded: "Now everyone will have to be their own devil."

Frankly I am uncertain how clear this would be without having read the book, especially as the play keeps the novel's corrupted dog-English of the future, semi-literate rustic with a sprinkling of computer terms. Mr Threlfall's wide-eyed innocent is compellingly watchable, even when an Irish-Cornish accent comes out in curious little-boy tones; and the beautifully drilled cast contains fine performances from Malcolm Rennie, a Fry Minger deposed and blinded, and Arthur Whybrow, the Punch-like old man who discovers—fatally—the secret of the One Big One.

Devotees of Mr Hoban will be intrigued and not disappointed by this labour of love. The novel's implicit must do their homework or risk bafflement. The leeringly ambivalent figure who still leaves children unsure whether to laugh or cry looms over the final scenes. Riddley takes to the road like that other mysterious ignoramus of the book, the repository of ancient secrets who warns the hero of Masefield's *The Box of Delights* that the wolves are running and evil is abroad in the world. Now there's an idea for Christmas at the Royal Exchange.

Martin Hoyle

The business of survival

IF THE PRIME Minister has a favourite among the nation's leading arts organisations it is surely the Royal Academy: without receiving a penny of Government cash the RA has a financial well-being hardly parallel in the arts. This week it revealed that it made a surplus of over £100,000 on its exhibitions and, through RA Enterprises—which controls its shop, restaurant and newly created framing company—another £200,000 for the coffers.

Yet a few years ago the RA was almost falling down. Its economic transformation owes much to the success of its 26th appeal launched in 1982. This has already raised close to £5m, with efforts continuing in the US. The investment income from the £4m set aside for an endowment fund is cushioning the RA's activities while the remainder has gone towards such unglamorous necessities as a new boilerhouse, roofing, and lift.

But the RA has not relied just on self-help. It has deeply involved the business world in financing its work; it cannot contemplate pulling on an exhibition without at least one sponsor providing a guarantee against loss, or making a direct payment for the pleasure of being identified with the event. Despite the jibes of some art critics the new president of the RA, Mr Roger de Grey, publicly proclaims the advantages that come from having business brains involved in RA events.

The need for sponsors to back exhibitions is demonstrated by the current show at the RA, of the work of Reynolds. Attendances, at around 1,800 a day,

are below forecast. Without the support of over £100,000 from NatWest, the RA would be making a nasty loss. It is always difficult to predict the demand for a particular exhibition. A year ago the RA had a tremendous hit with Chagall and an attendance approaching 300,000 produced a £30,000 profit. Yet the Edward Lear show lost money. This winter's retrospective of 20th century German art, for which the RA had great difficulty in finding sponsors, broke even, but the success in selling 20,000 catalogues put it in the black.

Ideally the support of a sponsor, especially in such back-up activities as advertising, helps boost attendance to break-even point, or better, in which case the guarantee against loss is not called upon. In identifying the RA with commerce Mr Roger de Grey, who has been president for just over a year, is following in the steps of his lively predecessor Sir Hugh Casson. But already de Grey is making his own mark. He has a passionate interest to show the work of 20th century and living artists," he says, and the 1986-87 programme reflects this bias.

After a belated tribute to Sir Alfred Gilbert, best known as the sculptor of Eros, there will be shows of three contemporary British architects—Poster, Rogers and Stirling, and then, next January, a massive examination of 20th century British art.

But de Grey shows his own preoccupation most effectively in his efforts to squeeze displays of contemporary artists

into any spare space in the RA. His desire to integrate artists with the real world has been best exemplified recently by the decision of London Transport to employ Eduardo Paolozzi to create forceful mosaics for Tottenham Court Road tube station. Paolozzi's designs are currently on show in the RA in a room above the restaurant, thanks to Pearson sponsorship.

This is all part of a drive to make the RA the centre of the British art world, to draw in the great names who have traditionally looked down their superior noses at its doings. By giving honorary memberships to distinguished 75-plus, the RA has already added such names as Victor Pasmore to the role.

Perhaps Roger de Grey's main preoccupation is the Summer Show, for long the public face of the RA. Last year it attracted 145,000 visitors, a jump of 20 per cent, and £750,000 worth of paintings were sold, which, with the RA taking 25 per cent, ensured a good profit. De Grey is not ashamed of the eclectic expression of art: it is, after all, the biggest exposure of what working artists are occupied with.

But he is examining the possibility of inviting certain artists to show, thus avoiding the risk of a possible thumbs down at the selection process. At the moment the Summer Show certainly sits like a rather old, eccentric and potentially embarrassing relative among the thriving yuppies of a prosperous RA.

Antony Thorncroft

Berlin Film Festival

From the sublime to the near-hysterical

FEDERICO FELLINI, European cinema's answer to the US Cavalry, came to the rescue of the Berlin Film Festival last month before it had begun. At the moment of writing, with seven days down and five to go, the main competition has proved as beleaguered an affair as any before, with wounded veterans (Cavani, Shengelaya) vying for debacle with fallible unknowns.

Fellini alone, whose *Ginger and Fred* opened the festival, has held high the banner of Great Cinema in a Berlin increasingly strewn with corpses. In his new film *Marcello Mastroianni and Giulietta Masina Play the Two Ageing ex-Hoofers* who once specialised in Astarte-Rogers impersonations and who were now reunited for a TV gala.

The night from the start with the electric mix of the magical, as Masina (still, 80 years on, the wide-eyed wife of *Nights of Cabiria*) finds herself jettisoned into a luxury Rome hotel where an enchanted fake landscape flickers outside her door and where bizarre and unheard-of "celebrities" gather for the telenovela.

The movie puns beautifully through its first half-hour, shifting in the middle and then plunges into greatness with the TV show itself. *Ginger and Fred's* sad-funny dance routine brings down not only the house but their own hitherto stubborn emotional defences towards each other, plus (climactically) the electricity system of the city.

The film is joyful, hilarious, serious and a masterpiece. More



Fellini's "Ginger and Fred," standard-bearer of the festival

when it reaches Britain. Scarcely less eagerly awaited in Berlin was Derek Jarman's *Carnagoglio*. Who better than the colourful British director of *Sebastiane* and *The Tempest* to plunge into the 17th century and tell the story of the criminal, murderer and homosexual who was also the greatest painter of his time?

Alas, those waiting for a plunge heard only the sound of a director dipping his toe into the shallow end of a long-cherished project. Jarman goes

for what might be called (by some) a Brechtian approach, in which one dry didactic tableau illustrating Caravaggio's life or thoughts succeeds another, and many of them centred around a famous painting—a and a series of whimsical anachronisms (bicycle, pocket calculator) are thrown in, presumably to yank the film away from naiveuseum-piece historicism. But on first viewing, the whole, film seems dismayingly lifeless.

The Berlin Festival, trapped in that wintry no-man's-land between Venice (September) and Cannes (May), always has its share of *ouevres* that seem to have got lost between sunnier festivals. Ingemar Ekström's *The Flight North*, based on a Klaus Mann novel, gives us a 1930s love affair between a young Finnish landowner (Jukka-Pekka Palo) and a German girl (Katharina Thalbach) who is torn between the new romance and the prickings of her conscience to flee to France and join the anti-Fascist movement. The Finnish landscapes bring with frozen beauty, but the dialogue is frozen in a different way: into long, chastely, gelid reprises of the argument between duty and passion.

Reinhard Hauff's *Stammheim*, preceded by clouds of controversy and stink-bombs in the cinema, sets out to condense the 190-day Baader-Meinhof trial into 107 dramatised minutes. The result is an indigestible, near-hysterical rant, based on real transcripts, but with performances so unreal and pace so bludgeoning that it feels more like the crudest agitprop fiction.

At least Liliana Cavani's *The Berlin Affair*, though bad, is uproarious with its, time: late 1930s. Berlin diplomat's wife Gudrun Landgrebe falls for Japanese ambassador's daughter Mio Takaki and the sound of carnal passion reads the corridors of power. "Can't you keep your wife's impulses under control?" ask the Gestapo. Apparently the diplomat (Kevin McNally) cannot. And soon,

when he discovers he cannot beat his wife and decides to join her instead, we are into threesomes, spiralling scandal (suicide, blackmail, . . .) and ever more portentously off-kilter English-dubbed dialogue. In these circumstances the downfall of the Third Reich can come as no surprise.

No wonder festivalgoers at Berlin, most years, tend to reel punch-drunk out of the main competition and seek solace elsewhere. The New German Cinema event has had two bright spots. Doris Dörrie's *Men* is a forthright, ingenious comedy about a cuckolded husband sharing a house (incoherence with his wife's lover. Mixing farce, fauvist colours and sexual frankness, it is as if Georges Feydeau had teamed up with R. W. Fassbinder.

Alexander Kluge's *The Past and the Present* is a typical potpourri of fiction and film essay, as Germany's veteran New Waver (he founded the New German Cinema with *Yesterday's Girl*) mixes pungent shards of history, philosophy, opera (*Traviata*) and storytelling (the tale of an orphaned girl's shuttlings between adoptive parents) in an ambitiously eclectic meditation on time, and on the knock-out accidents of public and private destiny that create our lives. Kluge keeps aridity at bay with surprise, didacticism with wit. Twenty years after his debut he still seems the most modern director in Germany.

Nigel Andrews

romantic chivalry, was Rossini's first great international success. Studied but not slavishly, by his companies, it remains a work of charm, delights and surprises, the vocal fireworks (restrained by comparison with his later, Neapolitan manner) set off by orchestral writing mysteriously suggesting Beethoven. How this happened in 1813 when Rossini, aged 21, was tied up in provincial Italy writing and mounting operas, is not easily explained. In spite of the subject matter the tone of *Tancredi* is more intimate than heroic.

This is a live recording made by CBS and Fonit-Cetra at the Teatro La Fenice in Venice, where *Tancredi* was first performed. The conductor Ralf Weikert's good intentions are not proof against fudging. The Fenice orchestra is humdrum. As the banished Siracusan Knight Tancredi (a breeches role) Mariya Horne fills Rossini's lines with such ample, secure vocalism that one can overlook a suggestion of matronliness.

As *Tancredi* beloved but supposedly false Amelaide Lella Cuberli is sweet, fleet and steady. Thetenor Ernesto Palazzo as Amelaide's father is dryish, the bass Nicola Zaccaria as Tancredi's rival Orbazzano is woolly. We are given the tragic ending supplied by Rossini for Ferrara a year after the Venice premiere. A strange, Purcellian piece of dramatic arioso, impressive but perhaps in need of a concluding chorus?

Ronald Crichton

Solution to Problem No 68
1 RxNP? P-N4! 2 QxNP (2 PxP, P-R5 ch with a winning attack). R-KN3! 3 RxP ch, K-R1: 4 QxR, QxNP ch! 5 KxQ, draw by stalemate. Petrosian played 1 Q-Q1! (1 P-K5 is also good) when Black soon resigned since if K-N2: 2 R-Q6, or R-K3; 2 RxBP ch.

Records

Rossini's flop revived

openly designed to batter the sovereign as a prologue by Lully (and Charles was by no means a Louis XIV).

Survival for such an opera under different régimes was unlikely. Indeed *Il viaggio* would have been as unwelcome under Louis-Philippe or Napoleon III as under the French Republic. In any case small-scale work requiring such a large cast of soloists was not a practical proposal for the repertory.

The argument of the "scenic cantata in two parts" here presented as a six-sided one-act, is slight. A cosmopolitan assembly of mostly noble travellers waits at a spa hotel in Northern France for horses to continue the journey to Rheims, the traditional site of the anointing of French kings. They pass the time with games, dances, improvisations. There is a thread of love interest and two moments of mild drama. The loss of some fiery sentiment from Paris (southern cavatina for the deprived lady) is followed by the retrieval of a single bonnet, sending her spinning into a cabaretta.

Later comes the shocking news that no horses are to be found for the journey to Rheims—ensemble of stupefaction for 14 solo voices, mostly unaccompanied. It then transpires that they may go instead to Paris for the jollifications on the king's return. This sets in motion one of the headiest of Rossini's finales.

Twice the proceedings are interrupted by the poetess Corina, rhapsodising to the hard—an allusion to Mme de Staël's *Corinne*, a book which had offended Napoleon. *Il viaggio* is as topical as in their

different ways Verdi's *La traviata* and Offenbach's *La vie parisienne* were to be. Into the slimy vessel Rossini poured a flood of melodious invention and scintillating scoring. He had a formidable Franco-Italian cast headed by Giuditta Pasta as Corinna, while the band at the Italiens was further strengthened by distinguished players from the Opéra.

It used to be assumed that the best of *Il viaggio* went into *Orly*, but that is not entirely true. The numbers taken over, effective enough in their new position, were not necessarily improved. The big ensemble and arietta referred to above, delicious as they remain in *Orly*, are still more spectacular in their earlier form. Among the good things in *Il viaggio* not taken over is a ravishing sextet apparently plucked from the world of Mozart's *Così*, all shimmering texture covering contrapuntal dexterity.

Abbate has gathered a worthy contemporary equivalent to Rossini's constellation of singers. The young and promising Cecilia Gasdia takes the Pasta role. Among the established artists Katia Ricciarelli, Lucia Valentini Terrani and Ruggero Raimondi are notably more at ease here than in the recent French *Don Carlos* from DG (some of the writing takes Raimondi, but the warm geniality of his big buffo turn disarms criticism). Lella Cuberli, Francisco Araiza, Enzo Dara and, especially, Samuel Ramey are among the others who deserve praise rather than mere mention.

The CBS *La cenerentola*, like *L'italiana* in Algeri reviewed here last March, is a West Ger-

man Radio (Cologne) performance with Gabriele Ferro conducting the Capella Coloniensis and a strong cast including Lucia Valentini Terrani in the title role. The same light touch with a burlesque in the sparkle (period instruments help there) an airy sensitivity which neither goes limp nor allows the heehaw approach to Rossini to creep in. The unusual tenderness is even more valuable in *La cenerentola* than in *L'italiana*. This is not so much opera buffa as opera semiseria in disguise.

Once again Valentini Terrani fines down her large, rich, beautifully controlled voice for the intimate pages. There can be no missing this Cinderella's potential authority—no wonder her sisters and their deplorable father Don Magnifico sat on her so firmly. Araiza's Prince Ramiro matches her delicate wit with the vocal writing in spite of a few hard high notes, a defect less obvious now than formerly.

Enzo Dara as Magnifico is all the better for not sounding overblown. Domenico Trimarchio's haggard tone arouses initial misgiving about his Dandini, soon overcome by his sure command of the style. As the philosopher-tutor *Alidoro*, Alessandro Corbelli is allowed the big scene, "La del ciel" which Rossini added later to the score. The performance as a whole shines with precisely the magic (something more precious and elusive than hocus-pocus with pumpkins and rats) which imperceptible ears claim to miss in Rossini's treatment of the story.

The "heroic melodrama" *Tancredi*, an extravagant tale of

Radio

Brass and class in conflict

RADIO 2's selection of Jazz Classics in Stereo last Sunday featured the player I have been waiting for, Bix Beiderbecke. Robert Parker's magic treatment works better with small bands than big; the pseudo-stereo gives better ability to hear the separate parts. As it happened, Mr Parker gave us no really big combinations; "San," billed as by Paul White-man and his Orchestra, is by a 10-piece band that might have been Frankie Trumbauer's or Bix and his Gang. None the worse for that, but I would have liked to hear the 23-piece band, say, in "Reaching for someone" where Bix is still a star. Vic Barton, a drummer who played with everyone from the Wolverines to the Chicago Symphony, said coarsely that Bix in the Whiteman band was "like a stained-glass window in a shit-house." Barton played with Whiteman once himself, but not for long.

The 10 numbers we had varied from Bix's own 12-man band in "Deep Down South," where at least eight players are still recognised as stars—Bix, Goodman Dorsey (J), Pee-Wee Russell, Bud Freeman, Venuti, Lang, Krupa—to his own solo composition for the piano, "In a Mist." It is good news that the BBC is to issue three LPs or cassettes of these splendid recordings.

The Weimar drama ended on

Radio 3 on Sunday with Karl Sternheim's *The Fossil*. Sternheim hardly belongs in the Weimar period, but *The Fossil* brings his series about the heroic lives of the middle-classes into 1922. The play lacks the Molieresque fun of *Die Hose* (about the lady whose pants fell down in front of the Kaiser) or *Bürger Schippel* (about the plumber in the vocal quartet). Perhaps Sternheim had said enough about the bourgeoisie, for here he sets aristocrats against one another—General von Beeskow, the titular fossil, played by Peter Woodthorpe as if he were permanently drifting a cavalry regiment, versus Baron Ago von Bohna (Gerard Murphy), who has just returned from Moscow with a new line in politics.

This kind of violence was not quite the target of the listeners whom Christopher Dunkley noted in *Feedback*. They disliked being reminded of human weaknesses, such as old age, terminal illness, suicide, in Radio 4's afternoon plays, and Ronald Mason, the responsible executive, had to add that there had been some bad planning to allow *The Pact* (suicide) and *Looking for Marilyn* (terminal illness) the same week. Saturday Night Theatre's *The Sleepers of Fallov's Cross* dealt with the misuse of psychiatry in the Russian mode, with two scary dreams and a genuine heart-attack, but it is far enough from the frightened in a Saturday thriller. Sensitive listeners might have been worried by the repeat at 3.00 pm on Monday, though.

B. A. Young

3 MAJOR INTERNATIONAL AUCTIONS OF THE UTMOST IMPORTANCE AND URGENCY. We regretfully announce that due to prohibitive and unobtainable insurance rates currently affecting shipments in and around the Gulf, valued in excess of £10,000,000. AN ISLAMIC COLLECTION OF: PERSIAN CARPETS, rugs and runners and others from the more important weaving centres of the East. Being an ancient art form which were accumulated in both Europe and the United States for exhibition and sale. We have decided to offer this collection to the following countries of Iran, Iraq and Turkey. Due to these unforeseen circumstances and the economic uncertainty the project has been irrevocably cancelled and whilst the rugs were being held in transit in Her Majesty's Bonded Warehouses, Heathrow Airport, and others, they now have to be disposed of immediately by Auction. Due to the vast number of pieces and value involved the auctions have been divided into sixteen separate collections thus affording everyone an equal opportunity to acquire one or more of these masterpieces. The first session of Auction Sales will be held on Sunday 23rd February, 1986 at the following locations. All Auctions will commence at 2.00 pm local time. Previewing one hour prior to auction time.

Amsterdam (Dam Square) Oude Kunst in De Nieuwe Kerck. 4th ART AND ANTIQUES FAIR. 27th Feb. - 9th March 1986. Open from 11.00 am to 6.00 pm, and Thurs. from 11.00 am to 9.00 pm, and Sunday from 12.00 am to 6.00 pm. Information: 020-238904

CHRISTIE'S The right place for Furniture Hugh Roberts 8 King Street, St. James's London SW1 Tel: (01) 839 9060 Hugh Edmeades 85 Old Brompton Road London SW7 Tel: (01) 581 7611

Art Galleries KING STREET GALLERIES, 17, King St. St. James's, SW1. DONALD S. WATSON, R.C.A. ENGLISH LANDSCAPE PAINTINGS. Unit 8 March. ALLANS—HAND EMBROIDERED SILK PICTURES make the most delightful, vibrant and impressive gifts. From £2.95 to £2.50 (unframed) Lower Ground Floor, Allans, Grosvenor Gardens, London SW1M 6RS. 9-5 Mon-Fri, 9-1 Sat. CRANE KALMAN GALLERY, 178, Regent St. London, SW1. Colour, colour, colour. An anthology of paintings, until 1st March 1986. Mon-Fri, 10 am-6 pm. Sat. 10 am-4 pm. COLNAGHI, 14, Old Bond St., W1. 01-254 1254. Recent Work, 12 VICTOR PASMORE. Fully illustrated, 100 pages, £10.00. Sat. 10-12.30. MARCH 1986. VICTOR PASMORE, 1254, W1. Feb. 18. March 1. Fully illustrated, 100 pages, £10.00. Sat. 10-12.30. MARCH 1986. VICTOR PASMORE, 1254, W1. Feb. 18. March 1. Fully illustrated, 100 pages, £10.00. Sat. 10-12.30. MARCH 1986. ZAMANA GALLERY, 1, Cromwell Gardens, W. 8, W1. 01-584 5512. Presented by the Marble Gallery, LANTOS WITHOUT SHARDS—The Origin through Western Art, until 16 March. Mon-Sat. 10-5.30 (closed Fri.); Sun. 1-5.30.

WEEKEND FT

Tennis

Paying the price of pressure

WE ARE at a fascinating stage in the evolution of professional tennis when the pressures that inevitably bear down on its star performers...

The Women's International Professional Tennis Council has sensibly decided to restrict the appearances of girls under 14 and the International Tennis Federation is ending international competition for boys and girls in the 12 and under group.

There is another kind of pressure for the successful—the sort that drove Bjorn Borg from the game. It now threatens the future of John McEneaney and will surely cause Ivan Lendl sleepless nights.

McEneaney's problem is similar but more complex. His stormy path to success inevitably brought notoriety. He believes he is misunderstood and desperately wants to be liked.

himself to a punishing training and practice routine, something he has never been able to do even as a junior.

Then there is the pressure of age. Jimmy Connors in his 34th year knows he is slipping and Chris Evert Lloyd who is 31 knows that this will be her last season at her present level.

But the pressure experienced by that group of talented young players who are fighting among themselves for the game's top honours is perhaps the most

ability to handle such pressure and rise above it that divides the future champions from the good players.

That is why the personal battle in 1986 between 18-year-old Boris Becker and Stefan Edberg, 20, will have an extra dimension to it.

Becker's life has already been transformed by his Wimbledon success and so far he seems unaffected by being a world figure. Edberg's rise has been in a lower key but he too seems to be taking fame in his stride.

Among the girls, Gabriela Sabatini from Buenos Aires: a likely future champion



Gabriela Sabatini from Buenos Aires: a likely future champion

THE WORLD 12-metre sailing championships, which have just ended in Australia, are the lead up to the America's Cup battle off Perth next year.

It would have been all too easy for the British America's Cup Challenge to have avoided the Fremantle races. Their boats were not there and, arguably, racing in a fleet of 14 boats has no serious comparison with match racing.

Yet, using skipper Harold Cudmore's philosophy that it is better to go to a regatta than to avoid it, there was a British presence and, in hindsight, a valuable one.

formation it provided, it gave tremendous reassurances.

The main reassurance, Cudmore said, "was that we were doing the right thing."

The seven members of the BACC's "brains trust" were able to identify what sort of days, during their southern hemisphere winter training, should be set aside as testing days and which as practice days; the testing days in competition with other syndicates, the practice days for crews and for boat, sail and rig evaluation.

If for no other reason, the world championship provided one essential rethink for the British Challenge, the presence was valuable.

Cudmore. The strong winds and lumpy seas off Fremantle will require big men to operate the powerful winches which trim the sails and stronger than normal men in other key positions.

The 12-metre rule allows great variation in waterline length and with that, displacement countered by a reduction in sail area.

The predominantly strong winds off Fremantle have changed the equation, the boats are generally overpowered when sailing to windward and longer heavier boats than were used at Newport in 1983 are tending to emerge.

The British contingent was able to view, at close quarters, the performance of some of the boats in traditionally strong countries in the America's Cup.

The British contingent was able to view, at close quarters, the performance of some of the boats in traditionally strong countries in the America's Cup.

America's Cup yachting

Fremantle forces rethink by British

ent and startlingly sharp in their performance. Philippe Briand has, in a short career, designed several highly successful offshore yachts, including this year's Fastnet race winner.

Laurie Davidson, Bruce Farr Ron Holland appeared to have the numbers right and the enormous potential left for the crews to develop.

Britain's path is therefore a strong one with two distinct design approaches—the development of Victor '83 through Australia II by Ian Howlett and a radical concept by model yacht designer David Holland.

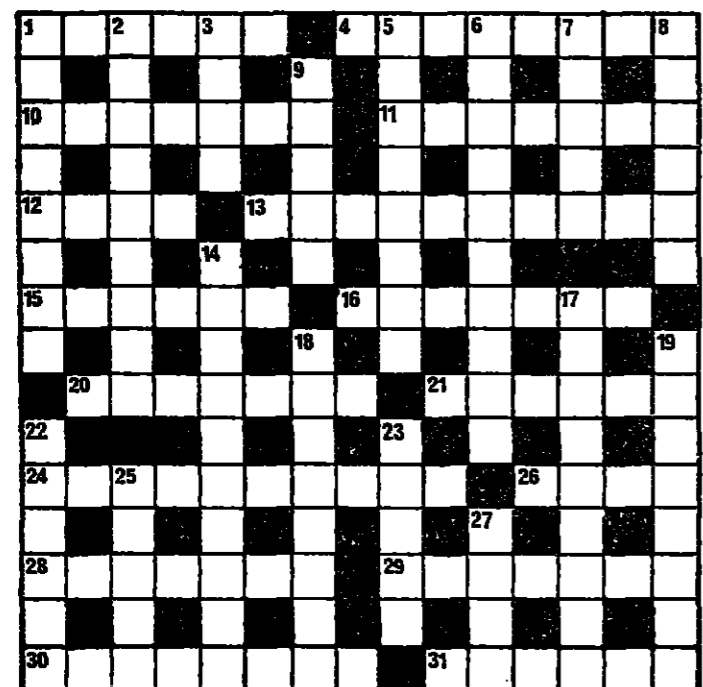
Television and Radio

11.30 Secret Valley. 12.00 News. 12.00 News. 12.05 pm Saint and Gravelia. 12.30 Wrestling. 1.20 Airedale. 2.15 Benson. 2.45 Snooker (Dulux British Open).

5.05 News. 5.15 Regal variations. 5.20 The Muppet Show. 5.45 Jim'll Fix It. 6.20 The Noel Edmonds Late Late Breakfast Show. 7.20 Every Second Counts. 7.45 Les and Dustin's Laugh-Out Show. 8.20 Strike It Rich. 9.10 News and Sport. 9.25 Film: "Bress Target", starring Sophia Loren, John Cassavetes, Robert Vaughn, George Kennedy and Max Von Sydow. 11.00 Film: The Horror Movie "The Ghoul", starring Peter Cushing and John Hurt.

11.30 The Greatest American Hero. 11.30 The Return of the Antelope. 11.30 The Return of the Antelope. 11.30 The Return of the Antelope.

FT CROSSWORD PUZZLE No. 5,955

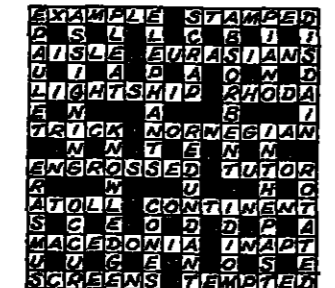


Prizes of £10 each for the first five correct solutions opened. Solutions to be received by next Thursday, marked Crossword on the envelope, to The Financial Times, 10 Cannon Street, London EC4A 3DF.

ACROSS
111 Across fish can be seen in the river (8)
4 Maybe a rep used influence (8)
10 A delightful girl many hurt with little hesitation (7)
11 At one time simple to account for (7)
12 The guy receiving nothing will make complaint (4)
13 Getting into deep water, they're sunk! (10)
15 Pet a greyhound? (-3-3)
16 Cad sure to organise a militant campaign (7)
20 Help to arrange about the right transport (7)
21 A swordsman palling before rebel leader (6)
24 Warning donor it may need alteration (10)
26 Some well-established store (4)
28 Allude to people turning it on (7)
29 Worn and dilapidated, but used (5, 2)
30 Paid to occupy quarters inside when taken ill (8)
31 Virtuous aspiration in a certain class (6)

DOWN
1 Figures cut-back should incorporate a qualification (8)
2 Seafood and fruit are not to be eaten together (4-5)
3 A mother, soft and rather wet (4)
5 In perpetuum nevertheless! (8)
6 Put down a drink to join newspaper editor (10)
7 Showing a profit—not for the first time (5)
8 The man taking the queen's letters home (6)
9 A world how apt the poor are to be... Shakespeare (Twelfth Night) (5)
14 Getting together for the usual thing (10)

Solution to Puzzle No. 5,954



SOLUTION AND WINNERS OF PUZZLE No. 5,949

Solution and winners of puzzle No. 5,949. The winners are listed along with their names and addresses: Mr. F. Wild, Whittington, Worcester; Mr. A. Lander, Stratford-upon-Avon; Mrs. A. Latham, Carnforth, Lancs.; Dr. A. Hoffman, Suzex, Wilts.; Mrs. L. Hunt, Seaford, Sussex.

SATURDAY

Indicates programme in black and white

BBC 1
8.30 am Hunter's Gold. 9.35 Bananaman. 9.50 Saturday Superstore. 12.15 pm Grandstand, including 12.00 News. Football Focus: Athletics (European Indoor Championships from Madrid). Ice Hockey: Skiing from Sweden; Racing from Punchington; Paralympic World Championships from Sweden; Rugby League (Six Nations Challenge Cup, round two) and at 4.40 Final Score. 5.05 News. 5.15 Regal variations. 5.20 The Muppet Show. 5.45 Jim'll Fix It. 6.20 The Noel Edmonds Late Late Breakfast Show. 7.20 Every Second Counts. 7.45 Les and Dustin's Laugh-Out Show. 8.20 Strike It Rich. 9.10 News and Sport. 9.25 Film: "Bress Target", starring Sophia Loren, John Cassavetes, Robert Vaughn, George Kennedy and Max Von Sydow. 11.00 Film: The Horror Movie "The Ghoul", starring Peter Cushing and John Hurt.

BBC 2
12.10 pm Film: "Overland Stage Racers" starring John Wayne. 1.30 Film: "Sands of Iwo Jima" starring John Wayne. 4.45 Laramie. 5.35 Deutsch Dreier. 6.00 Horizon: Science Fiction. 7.10 The Money Programme. 7.15 International Pro-Celebrity Golf. 8.20 The Sea of Faith. 9.10 Stuart Brothers Sunday. 10.20 Sports Tonight. 1.10 am Film: "Louis Brooks in 'Pandora's Box'."

LONDON
6.55 am TV-am Breakfast Programme. 9.25 No. 73. 11.00 Captain Scarlett.

SUNDAY

Indicates programme in black and white

BBC 1
9.55 am Play School. 9.15 Articles of Faith. 9.30 This is The Day. 10.00 Assan Magazine. 10.30 L-Driver. 10.55 Deutsch Dreier. 11.20 Every Second Counts. 11.45 Nothing But the Best. 12.10 pm See Hear. 12.35 Farming. 12.55 Weather News. 1.10 pm Sunday Live. 1.30 The Next Week. 2.00-3.00 Presenters. 3.00 pm Omnibus Standalone. 4.15 Athletics (Int'l European Indoor Championships from Madrid). 5.30 Brit Farm. 5.40 The Living Isles. 6.30 News. 6.50 Songs of Peace from Chichester in West Sussex. 7.15 Hancock's Half Hour. The Blood Donor. 7.45 Bluebell. 8.40 The Muppet Show. 9.10 News. 9.25 This is Life. 10.30 The Hummer and the Cross. 10.50 You Can't See the Wood. 11.15 Secret Nature.

BBC 2
2.00 pm Rugby Special. 2.30 Bader. 3.00 The Queen in Nepal. 3.30 The Great Art Collection. 4.00 Bathonian Sonnets for Celso and Pans. 4.25 Hospital Week. 5.20 Athletics (Int'l European Indoor Championships from Madrid). 5.50 Ski Sunday from Are in Sweden. 7.15 Pravin on Concursos. 8.05 Nature. 8.45 Thinking Ahead. 9.30 Architecture. 9.45 The Great British Open and Athletics (European Indoor Championships). 4.30 Survival. 5.00 The Return of the Antelope. 6.30 News. 8.40 Appal. 8.45

LONDON
6.55 am TV-am Breakfast Programme. 9.25 Wake Up London. 9.35 Wordy and Friends. 9.45 Snooker and Blabber. 10.00 Morning Worship. 11.00 Getting On. 11.30 Natural Resources. 12.00 Weekend World. 1.00 pm Police 5. 1.10 The Smurfs. 1.25 A Hole Lot of Trouble. 2.00 LWT News Headlines, followed by Encounter. 2.30 Snooker (Dulux British Open) and Athletics (European Indoor Championships). 4.30 Survival. 5.00 The Return of the Antelope. 6.30 News. 8.40 Appal. 8.45

TELEVISION AND RADIO

11.30 Secret Valley. 12.00 News. 12.00 News. 12.05 pm Saint and Gravelia. 12.30 Wrestling. 1.20 Airedale. 2.15 Benson. 2.45 Snooker (Dulux British Open).

5.05 News. 5.15 Regal variations. 5.20 The Muppet Show. 5.45 Jim'll Fix It. 6.20 The Noel Edmonds Late Late Breakfast Show. 7.20 Every Second Counts. 7.45 Les and Dustin's Laugh-Out Show. 8.20 Strike It Rich. 9.10 News and Sport. 9.25 Film: "Bress Target", starring Sophia Loren, John Cassavetes, Robert Vaughn, George Kennedy and Max Von Sydow. 11.00 Film: The Horror Movie "The Ghoul", starring Peter Cushing and John Hurt.

11.30 The Greatest American Hero. 11.30 The Return of the Antelope. 11.30 The Return of the Antelope. 11.30 The Return of the Antelope.

BBC 1
8.30 am Play School. 9.15 Articles of Faith. 9.30 This is The Day. 10.00 Assan Magazine. 10.30 L-Driver. 10.55 Deutsch Dreier. 11.20 Every Second Counts. 11.45 Nothing But the Best. 12.10 pm See Hear. 12.35 Farming. 12.55 Weather News. 1.10 pm Sunday Live. 1.30 The Next Week. 2.00-3.00 Presenters. 3.00 pm Omnibus Standalone. 4.15 Athletics (Int'l European Indoor Championships from Madrid). 5.30 Brit Farm. 5.40 The Living Isles. 6.30 News. 6.50 Songs of Peace from Chichester in West Sussex. 7.15 Hancock's Half Hour. The Blood Donor. 7.45 Bluebell. 8.40 The Muppet Show. 9.10 News. 9.25 This is Life. 10.30 The Hummer and the Cross. 10.50 You Can't See the Wood. 11.15 Secret Nature.

BBC 2
2.00 pm Rugby Special. 2.30 Bader. 3.00 The Queen in Nepal. 3.30 The Great Art Collection. 4.00 Bathonian Sonnets for Celso and Pans. 4.25 Hospital Week. 5.20 Athletics (Int'l European Indoor Championships from Madrid). 5.50 Ski Sunday from Are in Sweden. 7.15 Pravin on Concursos. 8.05 Nature. 8.45 Thinking Ahead. 9.30 Architecture. 9.45 The Great British Open and Athletics (European Indoor Championships). 4.30 Survival. 5.00 The Return of the Antelope. 6.30 News. 8.40 Appal. 8.45

LONDON
6.55 am TV-am Breakfast Programme. 9.25 Wake Up London. 9.35 Wordy and Friends. 9.45 Snooker and Blabber. 10.00 Morning Worship. 11.00 Getting On. 11.30 Natural Resources. 12.00 Weekend World. 1.00 pm Police 5. 1.10 The Smurfs. 1.25 A Hole Lot of Trouble. 2.00 LWT News Headlines, followed by Encounter. 2.30 Snooker (Dulux British Open) and Athletics (European Indoor Championships). 4.30 Survival. 5.00 The Return of the Antelope. 6.30 News. 8.40 Appal. 8.45

TELEVISION AND RADIO

11.30 Secret Valley. 12.00 News. 12.00 News. 12.05 pm Saint and Gravelia. 12.30 Wrestling. 1.20 Airedale. 2.15 Benson. 2.45 Snooker (Dulux British Open).

5.05 News. 5.15 Regal variations. 5.20 The Muppet Show. 5.45 Jim'll Fix It. 6.20 The Noel Edmonds Late Late Breakfast Show. 7.20 Every Second Counts. 7.45 Les and Dustin's Laugh-Out Show. 8.20 Strike It Rich. 9.10 News and Sport. 9.25 Film: "Bress Target", starring Sophia Loren, John Cassavetes, Robert Vaughn, George Kennedy and Max Von Sydow. 11.00 Film: The Horror Movie "The Ghoul", starring Peter Cushing and John Hurt.

11.30 The Greatest American Hero. 11.30 The Return of the Antelope. 11.30 The Return of the Antelope. 11.30 The Return of the Antelope.

BBC 1
8.30 am Play School. 9.15 Articles of Faith. 9.30 This is The Day. 10.00 Assan Magazine. 10.30 L-Driver. 10.55 Deutsch Dreier. 11.20 Every Second Counts. 11.45 Nothing But the Best. 12.10 pm See Hear. 12.35 Farming. 12.55 Weather News. 1.10 pm Sunday Live. 1.30 The Next Week. 2.00-3.00 Presenters. 3.00 pm Omnibus Standalone. 4.15 Athletics (Int'l European Indoor Championships from Madrid). 5.30 Brit Farm. 5.40 The Living Isles. 6.30 News. 6.50 Songs of Peace from Chichester in West Sussex. 7.15 Hancock's Half Hour. The Blood Donor. 7.45 Bluebell. 8.40 The Muppet Show. 9.10 News. 9.25 This is Life. 10.30 The Hummer and the Cross. 10.50 You Can't See the Wood. 11.15 Secret Nature.

BBC 2
2.00 pm Rugby Special. 2.30 Bader. 3.00 The Queen in Nepal. 3.30 The Great Art Collection. 4.00 Bathonian Sonnets for Celso and Pans. 4.25 Hospital Week. 5.20 Athletics (Int'l European Indoor Championships from Madrid). 5.50 Ski Sunday from Are in Sweden. 7.15 Pravin on Concursos. 8.05 Nature. 8.45 Thinking Ahead. 9.30 Architecture. 9.45 The Great British Open and Athletics (European Indoor Championships). 4.30 Survival. 5.00 The Return of the Antelope. 6.30 News. 8.40 Appal. 8.45

LONDON
6.55 am TV-am Breakfast Programme. 9.25 Wake Up London. 9.35 Wordy and Friends. 9.45 Snooker and Blabber. 10.00 Morning Worship. 11.00 Getting On. 11.30 Natural Resources. 12.00 Weekend World. 1.00 pm Police 5. 1.10 The Smurfs. 1.25 A Hole Lot of Trouble. 2.00 LWT News Headlines, followed by Encounter. 2.30 Snooker (Dulux British Open) and Athletics (European Indoor Championships). 4.30 Survival. 5.00 The Return of the Antelope. 6.30 News. 8.40 Appal. 8.45

outstanding junior days in 1984 when she won the French, Italian and Orange Bowl titles. Being the youngest semi-finalist ever at last year's French Open was pressure enough but she went on to win her first senior tournament in Japan and seems to have all the qualities of a future champion.

The girl who beat her in the final at Tampa last autumn is another prodigy who seems nerveless. Stephanie Rehe of California is only 16, but has been ranked number one in every national age group in America from 12s to 18s and knows how to win. Already after only a few months as a professional she is ranked 18 in the world.

The other girl with an amazingly mature temperament is Steffi Graf, the 16-year-old West German whose climb to number six in the world has been meteoric. A former European under-14 champion, she turned professional in 1983 and after losing narrowly to Jo Durie at Wimbledon the next year surprised us all by saying she thought she could win Wimbledon within three years.

It is confidence like that, when sincere and not contrived, that produces results. Judging by her performance in reaching the semi-finals at the US Open and the final of three other tournaments last year she might be right.

John Barrett

with Lloyd's for approval for its use. Three of the world's best offshore racing designers pooled their expertise to draw what was the first 12-metre for each of them. The boats arrived a week before the championship and New Zealand 5 was first to the start mark of the opening practice race and won the first of the championship races.

Laurie Davidson, Bruce Farr Ron Holland appeared to have the numbers right and the enormous potential left for the crews to develop. The Kiwis could be a force to be reckoned with, particularly with a promise of a third, more radical boat to come.

Britain's path is therefore a strong one with two distinct design approaches—the development of Victor '83 through Australia II by Ian Howlett and a radical concept by model yacht designer David Holland.

Robert Fisher

Letter from Stuttgart

Bibles and Benz

STUTT GART is a place of many surprises—and not least among them are thousands of beige-covered copies of the Old Testament in the original Hebrew stacked neatly in modern printing works up at Mörhingen in the hills just outside the city proper.

The deceptively tranquil capital of Baden-Württemberg is not only the home town of Porsche, Bosch, DeLorean-Benz and the like. Stuttgart is also the modern world centre of another far older industry: the Bible.

The Bibelhaus at Mörhingen is the global headquarters of the United Bible Societies, which presently organizes an annual circulation of about 12m Bibles, 13m single testaments, and almost 600m extracts from the Scriptures in a total of 111 countries.

Bible publishing is a multinational enterprise beside which even Daimler-Benz fades into insignificance. By the end of last year portions of it had been translated into 1,829 different languages, an increase of 21 over 12 months. There are around 3,000 languages spoken in the world.

It is reckoned that well over 2,500 Bibles have been printed since the early 19th century. Almost two thirds have been handled by Bible Societies.

Such figures eclipse even the most determined onslaughts of atheism. Lenin's musings have been translated into 201 languages only. The claimed distribution of Stalin's works was 672m in 1953, the year of the General Secretary's death. Shakespeare, according to UNESCO, has now gone into a mere 87 languages.

Day-to-day responsibility for furtherance of this colossal undertaking now rests with a UBS secretariat of ten in Mörhingen. It operates on a \$37m annual budget, representing the donated surplus of a score of richer Bible Societies in the industrialised countries, led by the US, West Germany and Britain.

This money is then channelled to Bible societies in the four corners of the earth with the aim, in the words of Mr Ulrich Fick, UBS General Secretary, "making the Bible available as cheaply as possible, as readily as possible, to as many people as possible."

Demand for outstrips supply. "We could use far more than \$37m," says Mr Fick. "In Africa alone 20,000 to 30,000 people a day become Christian, and they want Bibles. And that is to say nothing of demand for the Lord's Prayer and other countries like Japan where the Bible, if not of religious appeal, is historical and artistic tool, essential to understanding much of Western culture.

"Wars, of which there are always plenty, push up demand. So do disasters. In the forests of India, a Bible can be the first thing that a devastated Christian family needs, sometimes it is the only book a family owns."

Mr Fick, an engaging, energetic pastor and former radio broadcaster, spends six months a year on the road, explaining, fundraising and troubleshooting. UBS workers in the field, translators and distributors face every conceivable obstacle, from economic chaos to political harassment, and even death.

In Mozambique, the translator of the New Testament into Gikongo—an African language spoken by 500,000—was killed in an ambush, a "disastrous setback" for an already arduous project. Yet there are still plans to translate the Bible, or parts of it, into all 15 of Mozambique's native languages.

Which leads us back to those Hebrew Old Testaments in Stuttgart, where the UBS moved from London in 1973. The choice was natural. The city has a long protestant and intellectual tradition, and has been printing Bibles since 1601.

Its own output is a modest 2.2m annually (UBS produces the rest with help from other countries). These include the Hebrew and Greek originals for the Old and New Testaments which form the matrix of translation into every language.

In Russia, there is a black market for Bibles, such is the demand; and the Soviet authorities make a point of never allowing any sales receipts. Still, in 1985, was managed to send 10,000 Russian Bibles from Stuttgart directly to Moscow, financed by German donors.

Mr Roland Veltan of the German Bible Society, "The only trouble was, a church leader there said he could use a million."

Rupert Cornwell

Handwritten scribble or signature at the bottom of the page.